

**SPECIAL COMMITTEE ON RIVERFRONT ACTIVITIES
AND BASEBALL**

March 1, 2004

5:15 PM

Chairman Lopez called the meeting to order.

The Clerk called the roll.

Present: Aldermen Lopez, Gatsas, Guinta, DeVries, Smith

Messrs.: W. Jabjiniak, R. Ludwig, T. Arnold, E. Chinburg, R. Brooks,
R. Sherman, K. Clougherty, F. Thomas, S. Hamilton, S. Smith

Chairman Lopez stated the first thing we want to talk about is the appraisal and Singer Park status.

Mr. William Jabjiniak stated the Clerk is passing out a memo that summarizes the status of the appraisal. Very quickly the appraisal is due back to us now on March 12, which is 11 days away and the review appraiser will have it completed before the end of the month so that the Board can then take a look at that and answers can be given back to the developer.

Alderman Gatsas asked why is there an extension. I thought we were supposed to receive this appraisal in the middle of February?

Mr. Jabjiniak answered that is correct. It was due in the middle of February. Some additional guidance from legal staff has been given to Mr. Fremeau and he has asked for some additional time to complete that.

Alderman Gatsas asked when you say additional guidance can we have a copy of the scope of work that has changed.

Mr. Jabjiniak answered we can provide that to you. I don't have copies to pass out this evening for everyone but bottom line is the date of the appraisal is what was in question and Mr. Arnold can probably speak to it a little bit more but the exact date of appraisal was the item under review.

Chairman Lopez asked in reference to Deputy Solicitor Arnold, is the date now September 30.

Mr. Jabjiniak answered that is correct.

Chairman Lopez asked, Mr. Arnold do you want to add anything to this.

Deputy Solicitor Arnold responded no. I think that what Mr. Jabjiniak stated is fairly accurate that there was some question as of what date the property should be appraised. Some additional guidance was provided and it was established that September 30 of last year was the date. At that point, Mr. Fremeau indicated that he would have to redo some of the work and asked for extra time to do it.

Alderman Guinta asked what deadline are we under right now regarding the sale of this.

Mr. Jabjiniak answered by agreement you have 120 days from the date that they have provided detailed information to us, which is December 1 I believe.

Alderman Guinta asked so it was 120 days from the date that they exercised their right to purchase the property.

Mr. Jabjiniak answered yes with clarification.

Alderman Guinta asked and that date was December 1.

Mr. Jabjiniak answered yes. You are going to run right up against the 120-day mark.

Alderman Gatsas asked so if they didn't notify us about purchase until December 1 why are we rolling back the clock to September 30 for the appraisal. For what reason?

Mr. Jabjiniak answered the September 30 date was the date of the first request. As your memo spells out on the 19th the City Solicitor wrote back and asked for some clarification and on December 1 we received a letter and payment for the appraisal, which is the effective date starting the 120 day clock.

Alderman Gatsas stated I guess you need to explain to me why did it take some 50 days for a response period.

Mr. Jabjiniak asked 50 days between September 30 and November 19. Is that the 50 days you are referring to?

Alderman Gatsas replied I guess what you are saying to me and my understanding from what you just said is that they contacted us and did they contact you verbally or was it in writing.

Mr. Jabjiniak responded on September 30 it was in writing. If you recall they offered to execute their right to purchase the property. At that time they also offered to pay for the appraisal. That payment was not received. The City Solicitor then got involved and based on a meeting they held earlier in November specifying the exact property to be appraised around the municipal stadium, the City Solicitor put it in writing, responses came back by the end of the month and on December 1 we received a check and that starts the clock.

Chairman Lopez stated the appraiser will be in at the end of March and that will be the review process at the same time.

Mr. Jabjiniak stated the first appraisal will be done by March 12 and the second review appraisal before the end of the month.

Alderman Guinta asked so at the end of the 120 days what has to happen. Do we have to execute a sale?

Mr. Jabjiniak answered the City must provide a price to the land developer.

Chairman Lopez stated at the end of the 120 days after we receive it if it is agreeable with the developer. If it is not agreeable with the developer then we have to go to binding arbitration.

Alderman Guinta asked we have to go to binding arbitration. Is that accurate, Bill?

Mr. Jabjiniak answered I am not sure about the binding arbitration but we have to provide a price to him within 120 days. If they disagree there is a process to follow but I don't have the document in front of me to clarify that.

Alderman Guinta asked do they get to see the appraisal before we make the offer.

Mr. Jabjiniak answered no.

Alderman Guinta asked so they never get to see the appraisal.

Mr. Jabjiniak answered no.

Alderman Guinta asked so we are going to base our figure on the appraisal and we will give them our purchase price and if we can't come to an agreement what happens at that point whether it is you or whether it is somebody else who tells me.

Mr. Jabjiniak answered what we are looking to do is provide them a number. It is for us as a City and comes back to the Board. Once we have everything, we are coming back to you or the full Board saying here is where the appraisals came in, what number are we offering to the land developer for a purchase price.

Alderman Guinta asked I guess I am trying to get at when have we met our legal requirement.

Mr. Jabjiniak answered when we give them a number and offer them a price.

Alderman Guinta asked at that point are we obligated to negotiate.

Mr. Jabjiniak answered I don't believe so. Mr. Arnold, would you agree with that?

Deputy Solicitor Arnold responded I am not sure we are obligated to negotiate. Certainly that would seem to be common sense.

Chairman Lopez stated I think the way I understand it is at the end of 120 days we look at the appraisal and we make an offer to the developer. It can be the appraisal price or a higher price. If the developer does not accept it then it goes to...I don't want to use the word binding arbitration again because that is not the proper word but it goes to an arbitrator and at that point if the developer says no the question has to be researched as to whether we can negotiate. I would presume we could negotiate if they come back and say no we don't want that price we can give you that price then it would be up to the Committee to either say yes or no and if we say no we want to stick with our price then by contract it goes to an arbitrator.

Alderman Guinta asked, Mr. Arnold, can I have a written memo by the end of the week as to what the process is please.

Deputy Solicitor Arnold answered I can certainly do that and provide you with a copy of the relevant provisions in the Master Lease, which contains it also.

Alderman Guinta stated I want to know from our standpoint when we meet our obligation. That is what I want to know and I would like it in writing by the end of the week.

Chairman Lopez asked are you talking about the 120 days.

Alderman Guinta answered yes. I would like this in writing so that we all have an understanding, a very clear understanding as to what the City's obligation is.

Chairman Lopez stated that is no problem. It is in the contract and Mr. Arnold can get that and pass it out to the Committee.

Alderman Gatsas stated I would assume that the 120 days would have started on September 30 when they notified the City that they were interested in purchasing.

Mr. Jabjiniak responded ordinarily that would be true, however, they did not clarify for us exactly what additional acreage around the stadium they were looking for. That still was a moving target as of early November and that is why the City Solicitor wrote the letter on November 19.

Alderman Gatsas stated my next question would be if it was a moving target than why did we have the appraiser roll back his appraisal date from November to September when there was no agreement on what was going to be purchased.

Mr. Jabjiniak answered the appraiser is looking at a parcel at the first date of request. What is that piece of land on the first date of request, which was September 30?

Alderman Gatsas stated you just made a very clear statement. I can have the City Clerk read it back to you. You said the September 30 date was a moving target because there was no definite amount of acreage that had been responded to. So if no definite target had been responded to by the September 30 date and you didn't come up to that understanding until November 19 why have we asked the appraiser to move back to a date that was floating with acreage?

Mr. Jabjiniak responded I would be glad to read into the record about 7 pages of guidance from Walter McCabe but I don't think we want to take that time. The bottom line is that he is pointing to what the developer did to exercise his option initially. He notified us. Is that a date that he first asked for his option to be executed? It could be determined as yes. Did he pay for the appraisal on time? No. So when did he first ask to execute the option? September 30. His offer to finance the appraisal was not received until December 1. That is the difference.

Chairman Lopez stated I think Randy Sherman you have been involved in this process too along with Bill and Walter McCabe. I would like you to weigh in on this date that has been established.

Mr. Randy Sherman responded I think what Bill is saying is they have an option to purchase. They exercised that option to start the clock ticking on September 30. It is the day when they make that request that is the day it should be valued at. Now there was some delay in getting that valuation going and they needed some clarification on exactly what they were looking to purchase. If you recall during that timeframe there were some lot lines that were still being moved around and there wasn't a clear indication from their letter on September 30 what exactly they were looking to purchase so until that could be clarified and I don't know, Bill, what the date was that the City sent the letter back asking for that clarification but I believe that was in November.

Mr. Jabjiniak stated November 19.

Mr. Sherman stated so it took the City six weeks to respond to that September 30 request and the point that Bond Counsel is making is that you have asked the parties to expedite the construction and to expedite the zoning and to go through all of these processes and it is really unfair to them to have them be adding value to the property at our request and then turn around and make them pay for that value a second time. So it is the date that they made that initial request, which was September 30.

Alderman Gatsas asked, Mr. Sherman, if that is the case then we keep hearing about dates. We did a street closing in the dead of night in a bus with no lights and probably most drug transactions that happen would at least have the facility of lights on so you could see what the transaction was but we closed a street on board a bus with lights off with no public input anywhere. Doesn't that value that we addressed add anything to the closing of the streets that we turned over land? Should that not be considered?

Mr. Sherman answered I am sure it does add value to the property but the City has asked the parties to expedite this process and move it along as fast as we can move it along. It would have been detrimental to the project to then say okay we don't want to move that process along because we don't want the value to have changed from September 30 to the end of the 120 days. So what you have asked them to do is move it and by having them move it during the evaluation process or the period you are valuing that parcel it doesn't seem genuine to ask them to go in and add value to the parcel and then turn around and charge them that additional value that they have added to the parcel. Granted some of that value has been added by requests that have been made of the Board but that is part of the process of developing the entire parcel.

Alderman Gatsas stated my question is and probably six questions before that, I asked the question why did it take us from September 30 to November 19 to address that question. Why was it six weeks?

Mr. Sherman responded I can't answer that. I don't know, Bill, if you have an answer. Did the letter come from the Solicitor's Office?

Mr. Jabjiniak replied the November 19 letter came from the City Solicitor. I will tell you that there were meetings going on before that. I think the letter from the City Solicitor actually talked about a meeting with Downtown Visions earlier in the month of November. I will be happy to dig out a copy of that letter and provide it to you if necessary.

Alderman Gatsas stated I would like to see the September 30 letter and I would like to see the letter that was responded to on November 19 and whatever memos were transpiring...obviously e-mail is a great thing today because it leaves a great trail. Whatever e-mails were going back and forth and obviously all of the documentation you have from Walter McCabe of why he is giving a legal opinion that September 30 is the date because my understanding was that he represents us.

Mr. Jabjiniak replied that is correct. I can put those documents together and get them out to the Committee in the next day or so.

Chairman Lopez stated why don't you do that. The appraisal is on target now and by the end of March we should have everything completed.

Alderman Gatsas replied we heard it was on target for the middle of February the last time we met.

Chairman Lopez responded well things keep moving along. While we are on the subject we might as well get the soccer field out of the way.

Mr. Jabjiniak stated the team has proposed some work down there. Staff met to review it. We found a few things that we would like to see added. We put that in writing back to them. A meeting has been scheduled to address all of the issues, whether it is work related or dollar related. That meeting is scheduled for next Tuesday and the process should conclude here in the very near future.

Chairman Lopez asked, Mr. Ludwig you weighed in on this I presume and you are satisfied.

Mr. Ron Ludwig responded again we are waiting for the second response back from the developer and we will take another look at it at that time.

Alderman Gatsas asked, Mr. Ludwig, did you meet with the developer.

Mr. Ludwig answered I did not. I met with Mr. Jabjiniak and Frank Thomas.

Alderman Gatsas asked you met with the developer originally though right back some 12 months ago.

Mr. Ludwig answered I don't remember meeting with the developer but I know that we provided information at the request of Bill to Harvey Construction almost a year ago to date on improvements that we had planned for Phase II at Derryfield.

Alderman Guinta asked when you say developer who are you referring to.

Mr. Ludwig stated I don't remember meeting with the developer specifically.

Alderman Guinta asked which developer are you referencing.

Mr. Jabjiniak stated the Singer Park relocation is the responsibility of the team.

Alderman Guinta asked so you have not met with the team to discuss the relocation.

Mr. Ludwig answered no.

Alderman Guinta asked you have met with the two gentlemen beside you and you are waiting for a response from the team regarding what exactly.

Mr. Jabjiniak stated the scope of work that they have proposed which we said we would like to see revised a little bit.

Alderman Guinta asked are we on a deadline as a City, are we on a self-imposed deadline or any kind of deadline whatsoever in terms of relocating Singer Park.

Mr. Jabjiniak answered other than trying to coordinate with the budgets, the capital budgets that we have internally, there is nothing specific.

Alderman Guinta asked have we provided to the team when we would like them to get back to us.

Mr. Jabjiniak answered there is not a date specific in the recent piece of correspondence that I sent but as I indicated before we do have a meeting scheduled for next Tuesday that was just scheduled today.

Alderman Guinta asked can we get the scope in two weeks.

Mr. Jabjiniak answered hopefully we will have the finalized scope within two weeks. Mr. Brooks can address this on behalf of the team.

Mr. Robert Brooks of PB Sports and Entertainment representing the ballpark developer 6 to 4 to 3 stated you should have received a letter from the ball team lawyer in regard to a proposal for the improvements. We did meet to take a look at all of the improvements that were proposed for Derryfield Park, correct.

Mr. Ludwig replied yes.

Mr. Brooks stated we did meet so we needed some clarification there. Prior commitments 12 months ago we were not on board at that time so I cannot comment as to whom Ron met with and who represented what was going on at that time but as of right now we are in the process of resolving the issue. We have submitted a proposal that the City has responded back to. We are taking a look at some additional modifications such as the parking, which Ron requested and we are having a meeting next Tuesday to resolve all of those issues.

Alderman Gatsas asked Ron from the scope of work that from my understanding was before us last year can you tell me how much that has changed.

Mr. Ludwig answered actually the scope of work that we developed for Phase II of the project hasn't changed and it probably far exceeds the number that this group may or may not be responsible for. I am not sure. What our charge was was to respond to them with more or less of a list of items that were involved in the scope of work, the construction of the field, the grading...we even had because our plan did include tennis courts at the time, everything that we had in there was what we provided to them and that was again about a year ago in March. That wasn't provided to Mr. Brooks. That was provided to Rob Prunier at Harvey Construction.

Alderman Gatsas asked so that was about \$500,000.

Mr. Ludwig answered that was in excess of \$500,000. It was more like \$650,000 at the time.

Alderman Gatsas stated but that is because the understanding we had was...we had people standing before us telling us that they were going to spend between \$500,000 and \$750,000 to do that.

Mr. Ludwig responded that was part of the thought. In other words it addressed what we had looked at as Phase II of the project regardless of what the developer was supposed to be, for lack of a better term, on the hook for. I don't know but we provided a number to do the work.

Chairman Lopez stated I think we will just wait until they have their meeting next week to see where we go from here. We can't do anything at this present time.

Alderman Gatsas responded I appreciate that, Mr. Chairman, but all I know is that every time a subject comes before this Committee or the entire Board it is hurry up and let's do this because we are in the 13th hour of this development but it seems as though every time the City is looking for a response it is don't worry about it, we will get to it. Well maybe we need to start saying as we have always heard, that we are on the 13th hour as a City and we would like a response because that was supposed to be a construction project that started at Derryfield and I think Mr. Ludwig will probably attest to the fact that the gym equipment that is up there is probably one of the busiest parks in the City. Now I think when we talked about moving this in February I don't think we talked about waiting another year to finish that project. It was supposed to be done last year.

Chairman Lopez replied I agree with what you are saying. I think a proposal has been made and Parks is not satisfied with the proposal and Bill is not satisfied so they went back and they are renegotiating just exactly what it means for them to go up there and do the things that the Superintendent of Parks needs to be done. We expect an answer as soon as possible. It can't be continued to be held up. We have to get answers because other projects down the road depend on it also with the CIP budget coming up and I share the same concerns. I have asked Deputy Solicitor Arnold to look at this particular subject as to what the agreement was and the contract and I want to remind everybody that we have to go by what the agreement is.

Deputy Solicitor Arnold stated the Master Lease states that the obligation of the developer is to pay for the cost of relocating and recreating the Singer Family Park facilities at another location. That is what it calls for.

Alderman Gatsas stated I don't know if anybody wants to do that because now you are talking about lighting, staging and the rest of the whole nine yards that was at Singer Park. That is exactly what that agreement calls for. Now if that is what they want to do, that is fine but I think that is going to be far in excess of what anybody has even talked about.

Chairman Lopez stated I think the CIP Committee weighed in on this and I know because I sit on that Committee and it was very clear what we were talking about.

We weren't talking about a venue of Singer Park being moved to Derryfield. The stage is not there and other things. We are talking about a soccer field being moved to Derryfield if that is the location that it is going to be moved to. The way things change I don't know but I think we are following the agreement and I share with you some of the delays but I think we have to move on on this particular subject.

Alderman DeVries stated maybe the City Solicitor can tell me has there been any discussion about a cash equivalency to the cost of relocating that.

Deputy Solicitor Arnold responded I haven't been involved in that. All I am aware of are the general statements that were made today.

Alderman DeVries stated then I will defer to Bill Jabjiniak.

Mr. Jabjiniak responded there have been some additional discussions. The team seemed to be willing to do the work versus actually giving a cash contribution.

Alderman DeVries asked the scope of services that you are waiting on, does that include all of the facilities that they have at the prior Singer Park – the lights, etc.

Mr. Jabjiniak responded that is an issue that is under discussion. Mr. Ludwig didn't feel that lights were important so we are asking for the lights, for example, to be given to us which was a direction already given by the Committee or by the Board to be put in storage. That is something that is in writing that they are looking at. So there is a lot of clarification like sod versus seed and so forth.

Alderman DeVries stated I guess what I am getting at is the cash equivalency of the field as it existed before it was to be located is worth a certain dollar amount. Has anybody priced that out to see what the value of the field that pre-existed was so that we know a dollar amount of what we expect to be...in the early discussions it was a figure of \$500,000.

Mr. Jabjiniak responded that number came out of a presentation here by an entity that didn't represent the team. It was a budgetary number that he gave you. The team has gone back and looked at things and said wait a minute let's take a different look at it because we might want to do the work because we have contractors mobilized in the City. Mr. Brooks can certainly address some of that. I think we are just trying to identify the scope that we want to see moved.

Mr. Brooks stated just to clarify what Bill said we have a proposal in that identifies, for example, seeding the field, regrading, taking the lights and building new foundations for them, putting up the lights and doing new wiring. Ron

indicated that he doesn't want the lights. Now the issue is what do we do with them? Actually he doesn't want them installed. It is in the City's possession. We have estimated the cost of the foundations and the electrical so we either give you that price monetarily or else apply it to something else, which is maybe parking or something else. So this is what we are trying to work out at this time.

Alderman DeVries asked so that is what you are negotiating at this point in time – the difference between what you are willing to do at Derryfield Park and the actual value of what you are contractually held to do.

Mr. Brooks answered right and we also have, for example, the concessions. We have a proposal for the concessions and Ron would like to see some pictures of what we are proposing that is commonly used in college facilities.

Chairman Lopez asked can you give us a date that that is going to be...

Mr. Brooks interjected next Tuesday.

Alderman Gatsas stated I think there was a pretty clear directive from the CIP Committee and I think that either you made the motion or you seconded the motion and Alderman Shea either made the motion or seconded the motion and it was directed right to Mr. Jabjiniak to tell everybody that we were only looking for \$500,000 in cash.

Chairman Lopez responded that is absolutely correct. I made the motion but I am reminded by the City attorney that within the agreement and he just read that a few minutes ago...the \$500,000, I mean I would like the \$500,000 tomorrow but are they going to do that according to the agreement? I don't think so. I think what they are saying is they are going to move the soccer field over there at their cost to satisfy the Superintendent on his project at Derryfield and then we will just have to wait and see exactly what the final product that they want to do for us is. We can either accept it or reject it. One or the other.

Alderman Guinta asked Kevin who is paying for the relocation.

Mr. Clougherty answered it is pretty clear from what the Solicitor said that it is their responsibility.

Alderman Guinta asked so where does that money come from. Does it come from the bonded money?

Mr. Clougherty answered it is their responsibility to relocate.

Alderman Guinta asked so it can come out of the bonded money.

Mr. Clougherty answered I am not certain of that. I will go back and look at that.

Alderman Guinta stated I am not so concerned about the \$500,000 figure. What I am concerned about is the cost and if the cost is going to be less than \$500,000 then let's ask them for \$500,000 out of their pocket and we will go do it. Do you understand what I am saying? I think we need to be clear. We understand who is paying for it. I guess I am not clear as to where that money is coming from and legally where it can come from. If it is going to come from the bonded money then that opens up a whole host of other issues that we need to address.

Mr. Clougherty responded my gut tells me that it can't come from the bond but I want to go back and legally look at that before I tell you that is absolutely the way it is and you run with that. My feeling is that it can't but again I want to go back and look at that and I will give you an answer on that.

Alderman Smith stated we have hashed this out quite a bit. On 3/11/03 the CIP Committee took this up. Alderman Shea asked if they could use the money and transfer it to Memorial High School. They did substantiate an amount there but if you remember we couldn't locate the field. If you remember there was a big discussion on Derryfield Park. There were going to be a couple of youth leagues removed and so forth like that so all of this was tabled really. This has been going on for...this is about the sixth time I have heard this and I think we should move on to something pertinent and listen to other discussion. It is going to be taken care of next week and I suggest that we move on now.

Alderman Roy stated as Alderman Smith just mentioned in the minutes of those meetings the range given was \$500,000 to \$750,000 so let us not as colleagues shortchange the taxpayer or the field itself by using the figure of \$500,000 just blatantly. It was \$500,000 to \$750,000 as Alderman Smith said in those minutes.

Chairman Lopez responded okay we are going to solve the problem. I think we are going to move on here. We are going to move on here and we will solve the problem in the next couple of weeks. I want to remind the Committee and anybody else that regardless of what we say in Committee and we have gotten ourselves in situations before on this, the Master Agreement and the MOU is what we have to go by. So let's keep that in mind. Whatever is written, whatever is signed and whatever is approved. It is not what we think we should get. I mean I think we should get the \$500,000 but that doesn't hold weight. The agreement says that they will move or compensate us. It would be nice if they would compensate us \$500,000 but let's see what happens and let the Superintendent of Parks and Bill Jabjiniak work it out and we will go from there. With that, I want

to ask Mr. Chinburg if he would step forward. He seems to be right on target so maybe we can get through this in five minutes. We will deal with the development and where we stand and weigh in on the Assessors. Could you bring us up-to-date on your project on the development of the condominiums?

Mr. Eric Chinburg stated yes. We will be back before the Planning Board on March 11 for a continuation of the public hearing that began in February. We have implemented the change removing the 12,000 square feet of retail and substituting that with an additional 12 units in the towers bringing the tower count from 120 to 132 units. We have met with the Assessors to give them accurate information on the exact amount of square footage that will be in the units so we believe they have good information now to justify numbers that they have given in the past as minimum.

Chairman Lopez stated I want to thank you for the drawings that you provided to the Committee that you are presenting to the Planning Board at the same time. I know that it is not complete yet. Mr. Hamilton do you want to weigh in on the value and what is going on?

Mr. Stephan Hamilton responded the information that we have gotten recently from Mr. Chinburg leads us to believe that our original estimates are if anything very conservative.

Chairman Lopez asked so the numbers you gave us on February 13 still stand.

Mr. Hamilton answered we believe those are still valid at this point.

Alderman Gatsas asked how many square feet per unit.

Mr. Hamilton stated we just went over what the course base of the buildings and the mid-rise towers was going to be. I think the average per unit size is 1,874 square feet.

Alderman Gatsas asked what is the top line and what is the bottom line

Mr. Hamilton answered we didn't get into any lengthy breakdown of what the high end would be. That is substantially more than the original average estimate.

Alderman Gatsas asked underground parking.

Mr. Hamilton answered yes.

Alderman Gatsas asked heated.

Mr. Hamilton answered yes.

Alderman Gatsas asked Mr. Chinburg have you given that letter yet that you have between you and the developer to the City.

Mr. Chinburg answered I forwarded what I had following that last meeting to Mr. Clougherty.

Alderman Gatsas asked, Mr. Clougherty, have you received that letter.

Mr. Clougherty answered I received a letter from Mr. Chinburg saying what he had but there is not a lease. My understanding is that you want signed documents and that is not a signed lease agreement. What he gave us was a memo, not a signed document.

Alderman Gatsas stated I think twice before I asked you the question, Mr. Chinburg, and you answered that you have an agreement that is signed between you and Downtown Visions.

Mr. Chinburg responded yes.

Alderman Gatsas stated seeing that I can't get it from our City staff would you kindly get me a copy of that agreement please. Could you forward me a copy of that agreement because I can't get it from our staff? You keep telling me that you keep sending it to him. I believe you. I am just looking for a copy of that agreement.

Mr. Chinburg responded I believe that we still need to be formally approved or accepted as a sub-lessee so the agreement I have with Downtown Visions is sort of pending us being approved. There is a process...we have been approved as a sub-lessee but our sub-lease hasn't been approved to my understanding.

Alderman Gatsas asked who has approved you as a sub-lessee.

Mr. Chinburg answered I am not sure.

Alderman Gatsas stated if you could get me a copy of that signed agreement because nobody else wants to produce it, I certainly believe that you have one and according to the agreement because we keep talking about agreements and we keep saying that we have to stand behind agreements that we have and in that agreement it says that any signed document that allows Downtown Visions to release that entity...if you have got a signed agreement with them then we should

be entitled to see it. I am only asking you if you can forward us a copy of that agreement because I can't seem to get anybody else to give it to me.

Chairman Lopez stated well if any one Alderman is going to get something from anybody it is going to be all of the Committee members. I think the question has been answered so many times and Kevin and Randy maybe for the third time do you want to explain about these documents that are not final because Mr. Chinburg has to buy the land and the lawyers are involved. Can you weigh in on what we are talking about? Staff has talked about this many times.

Mr. Clougherty stated again we see them as a draft until we get to a point where there is a determination as to whether those documents are going to serve as the basis for an agreement or the deeds. Until that point to be releasing that information is, I think, premature.

Mr. Sherman stated the agreement says that the sub-leases shall be approved by the City. It does not say that the City shall see all of their business agreements that they may have off to the side that aren't sub-leases. If I was Mr. Chinburg I would state that that is a proprietary document and the City doesn't have any right to see it. If it is a sub-lease, the City has the right to approve that sub-lease to make sure that it does not cause any problems in the overall Master Lease or contradict the Master Lease and that all of the provisions of the Master Lease are included but until you have a sub-lease I don't believe there is any document that becomes a public document. If they have a deal relative to the letters of credit or any other deal that they have struck that is a deal between two private parties and really has no need to be aired publicly.

Chairman Lopez asked, Mr. Arnold, do you want to weigh in on that as counsel.

Deputy Solicitor Arnold responded by and large I think I concur with Mr. Sherman. I have not seen the document. I don't know what it is. Until I see the document I would not want to give a legal opinion as to whether that should be provided to this Committee or the Board or not. I don't want to sit here and speculate.

Alderman Gatsas stated let me ask this gentleman one more question because I certainly entrust his...he certainly is an astute businessman. Is your belief that you have an assignment of the lease?

Mr. Chinburg responded I believe that I have the ability to go into that sub-lease by virtue of an agreement with Downtown Visions should we go the sub-lease route or I would have the ability to get an assignment of their right to purchase. That is an agreement with terms between two parties that I would rather not have

public. I can tell you that in the agreement between them and me it is very clear that nothing that we do could violate the terms of the Master Lease that they have with the City.

Alderman Gatsas asked but if the City says we don't approve you as a sub-lessee where does that leave you.

Mr. Chinburg answered I would say that leaves me in a bad place. I would assume that the City wouldn't do that.

Chairman Lopez stated not at this stage of the game.

Alderman DeVries asked Randy or Kevin maybe you could tell me why we do not wish to sign the sub-lease agreement now and then later transfer it to the new documents after the properties are sold if we do decide to go that route.

Mr. Clougherty answered first of all I think what we have tried to do is identify issues that regardless of which path we go down would need to be negotiated so that you might have some language in either a sub-lease change or into a deeded change. We don't want to go ahead and spend a lot of legal expense having these documents prepared and it is going to be a significant legal expense whichever path we go to. So to go on dual paths at this point does not seem to make sense to us. Identifying the issues and getting some consensus on where we are on those issues so that whichever path we can go to is really the level that we have been trying to keep this at.

Alderman DeVries asked how long do you feel you will continue to leave the sub-lease in limbo. Say when we do receive the appraised prices if that is going out to arbitration and it is not going to be a quick turnover obviously April 1 or even before then Mr. Chinburg wants to break ground so how long do we leave that in limbo?

Mr. Clougherty answered I think until you at least get the appraisals back, Alderman, because at that point you will get some indication as to where you are at and certainly if there is going to be a protracted process there then that would be one of the things we would consider to move forward and you would expend that. The intent here is not to harm the project but also to not incur a lot of expenses unnecessarily here either.

Alderman DeVries asked the legal review that you are referencing is not going to be done in-house.

Mr. Clougherty answered we have talked to the Solicitor and they have asked that it be done by Ropes & Gray I believe.

Alderman Gatsas asked why wouldn't that go out to bid.

Mr. Clougherty answered as part of the agreement that we have with Bond Counsel they can provide that service. It is the City Solicitor's decision if they want to use that. So we have bid out Bond Counsel in the past a couple of times for general services. One of them is tax and bond related activities like this.

Alderman Gatsas stated but that is at \$300+ an hour.

Mr. Clougherty responded again, Alderman, it is the Solicitor's determination if they want to use them for that purpose.

Alderman Gatsas stated Mr. Chinburg I guess I have one final question. I assume that within those agreements because everybody...for some reason you want to give them out but nobody else wants to let you give them out and I don't know why but they must know something that either you don't know or I don't know...

Chairman Lopez interjected let me correct something. What you are saying is not totally true. If Mr. Chinburg wants to provide his wallet to you and this Committee that is up to Mr. Chinburg. I think what legal counsel and Finance has said is those are documents that are works in progress because they are documents that have not been approved by the City attorneys and legal counsel and Bond Counsel because Mr. Chinburg wants to buy the land down there. Now with that...

Alderman Gatsas interjected with all due respect, Mr. Chairman, Mr. Chinburg has already given you his wallet. He has given you \$1.6 million of his wallet and we have people over there in Finance saying we don't want to go forward with documents because of the expense. Mr. Chinburg just told you three minutes ago that he doesn't have a problem going forward with wherever we are at because of the degree that he is involved in this project. He has given you his wallet.

Mr. Chinburg responded I can say that I have been less concerned about having that be a binding sub-lease document because we had thought that the appraisal would have been done initially in February. Well actually earlier we thought it would be done soon after the request was made. It is true that if we don't get a favorable result on the appraisal and we end up in some sort of discussion about the price I would want them to at least push the lease to assert my site control and get approved as a sub-lessee. It seems like a wasted effort with the appraisal imminent. I still believe if it is coming at the end of March that we can wait until

the end of March and if the appraisal is agreeable then we just move towards the purchase and avoid the sub-lease.

Alderman Gatsas replied so that goes back to when we first met some two months ago here when I asked you about the appraisal and asked you that if that appraisal came in at \$20,000 or \$30,000 per unit land cost would you be able to continue going forward. You told me at that time you would not be able to.

Mr. Chinburg stated that is correct.

Alderman Gatsas asked has that position changed.

Mr. Chinburg answered no.

Alderman Gatsas asked so if that appraisal comes in at some...there are almost 200 units there. So if that appraisal came in at somewhere around \$4 or \$5 million...

Mr. Chinburg interjected it would be wrong. It would not have been done right.

Alderman Roy stated first again to Eric Chinburg for answering questions regarding the sub-lease. Some of the questions that I would like to ask I would like to direct to Downtown Visions who seem to be the step prior to Eric but I appreciate the fact that he has been answering these questions and put in this position and what he is doing for the City. My questions revolve around the feasibility of the project. A lot of questions have come up regarding what do you compare this to and what market is either here now or will be created. Do you feel that these match anything that the City currently has or are you creating a new market within our City?

Mr. Chinburg responded I think we are creating a new market.

Alderman Roy asked and from a private sector and I know that you have done your feasibility and employed some very good professionals. Do you feel that our Assessors are on and conservative in our number? Are we safe as a City?

Mr. Chinburg answered yes.

Chairman Lopez stated thank you Mr. Chinburg and we will wait. Keep moving ahead. Anybody here to talk about the hotel?

Mr. Jabjiniak stated Mr. MacKenzie has left.

Chairman Lopez asked do you know anything about the hotel Bill.

Mr. Jabjiniak answered the hotel is waiting for the final documents on the Blouin easement. Mr. Arnold has been in touch with the attorney for Mr. Rodell and that process is going forward waiting for a definitive parcel to be in place so that he can then approach the Planning Board.

Chairman Lopez asked so there is no definite date that he is going to the Planning Board.

Mr. Jabjiniak answered his original plan was April. I am not sure we are still on that course.

Chairman Lopez asked Shawn Smith of the Fisher Cats to come forward.

Mr. Shawn Smith stated I just want to take the opportunity here to update you all on a couple of things if you take a look at the screen. Year-to-date we have sold just over 106,000 tickets so things are going along briskly and relatively smoothly on that front right now. Again, we open on April 15. The Yankees make their return to Manchester shortly. I wanted to inform you all that the article that appeared in the paper last week was a bit premature seeing as we open six weeks from now. I just want to address where we are on our parking concerns. As of the end of last week you see the variety of companies and agencies surrounding Gill Stadium whom we have met with – Surplus Office Furniture, Hoitt's Furniture, Sherwin-Williams, etc. There are some institutions on the bottom that we have yet to meet with and you can see why we have chosen not to contact some of those. To put it politely with the Stadium Plaza I think we are all very familiar with the way that operates. We want to respect the operating hours of the mall. They are open until 9 PM I believe. There is also the plaza at Maple and Valley that is something that has been a difficult parking situation for years and years. We have also met with the MTA regarding the parking situation and before I mention to you...well I guess just in layman's term we developed a swing plan and have put documentation in Dave Smith's hands to ask for advice regarding Gill but let's move on to Gill before we really look at the MTA situation because there is not a whole lot to really delve into right now. Pardon the difficulty and the clarity of this graphic but we blew it up larger and it didn't translate well. Just using basic traffic light skills red means no and green means go. Yellow is something that is still in the works and cautionary right now. The lot surrounding the facility you can see I will start in the lower right hand corner. Advance Auto, 711 and Cumberland Farms are up on Valley out of the graphic. Cumberland Farms has agreed to sell spots to their advantage and also be a service to the fans. Advance Auto we are still working with. 711 has said no. Cremeland and Dr. Marguerite Cote are going to be using their lot for private business and that will be off limits.

The plaza right across from the ballpark same circumstance. Stadium Ten Pin we are still discussing with. The Highway Department, we have entered into an agreement with Frank Thomas. We will use the Highway Department Lot for our employees to be able to make room for the general public to park. The Highway Department is a private lot and we have entered into this agreement with the proper insurances and the satisfaction of Frank Thomas and his department. Surplus Office Furniture will have their lot available to purchase spots in their lot. Sherwin-Williams has yet to decide. Hoitt's Furniture is open until 9 PM. They will not be offering parking to the general public. The same thing with the mall and the plaza. Sweeney Post – we have an agreement with Sweeney Post. Our players will park there so we are not taking parking from the general public. We have worked out a program with the Post. They will be operating their lot for their members and have agreed to take responsibility for their property. Paw Wash has said no. They do not want to use the lot for liability purposes. We have left a few messages with the church. It has been difficult to get a hold of those folks so we are not sure where we are there. The Youth Center, which is operated by the City has said they do not want the lot available because they have a variety of children coming and going on their bicycles and fear that that may be a hazard. The Water Works, which is located a couple of blocks away, we have approached them about using that property...excuse me I shouldn't say using it but having it available to the general public for this. They have declined to do so. That brings us to the JFK and Gill lots. According to the lease that we have to lease Gill for this year, the Gill Stadium lot, which is under Exhibit A in our lease states that that is part of our property. We will be using that for the visiting team bus to park. We will have a storage trailer there and we will also have our dumpsters there and we will, when all is said and done, have about 100 spots available to the general public. JFK is still an open issue, which gets me to the next graphic. Potential spaces available from the study that we have done, the Gill lot shows about...I'm sorry not 100 but about 150 spots that we feel we would have available after our needs. Since that is the only lot that we control we are responsible for making 10% of that parking lot for designated handicap spaces. We have met with Access Manchester. We have had some phone conversations and we still have meetings yet to complete. The JFK lot, which is a potential spot...there is about another 300 there and we say that conservatively and Surplus Office has about 30, Cumberland Farms about 10, Stadium Ten Pin about 50 spaces and we are still pending an agreement with them. When I say pending an agreement they are not really interested in operating the lot because they feel it is going to be a headache. We would love for them to just have it available to the fans so we are still working out that situation. So that leaves us roughly with 540 spaces plus on-street parking. Not only is there on-street parking available north of the property but you know that Alderman Osborne is concerned about his constituency and there is also quite a variety of parking southeast of the neighborhoods. There are a few vacant lots that do not look like they are inhabited at all and there is also some on-street parking. I bring

out those issues of those vacant lots and also just want to mention the Water Works lot and the JFK lot. The public is going to try to find a place to park wherever they can and that is something we have cautioned our abutters that even if they choose not to make the parking available to the general public certainly the general public is going to try to park there, especially if it is not monitored. So we have roughly 540 spaces plus the on-street parking. To give you a comparison, our ball club down in Lowell, MA we average 5,000 fans a night and have done so for the past three and a half seasons. Controlled parking around the perimeter of the park that is controlled by U-Mass Lowell as well as ourselves and a couple of lots there is roughly 600 fixed secured spaces for 5,000 fans plus a variety of on-street parking that is within a 10 to 15 minute walk of the facility. Through our sell out streak we have rarely had every single controlled parking spot occupied. So 5,00 fans, 600 spots that are controlled and secured rarely are they ever sold out. The public finds other places to park. Here at a 4,100-seat facility we have 540 spaces plus on street parking that people will make their way and find. So that is where we are with our findings.

Chairman Lopez asked did you work with anybody in the City or is this all your doing.

Mr. Smith answered this was all our doing. We have discussed this issue with numerous members of a variety of City arms and even though Gill Stadium has been there for a long time, Mr. Chairman, we do not want to take the attitude of well people will just find a place to park. This is a very important destination for the City of Manchester and certainly for our operation and that is why Mike Beagenie who works in our operation as well as myself have taken the initiative to go out and meet with the community and try to learn more about what they feel and what they have as well as offer them the advice that this is going to be a problem if it is decided not to be managed. All I can control is the Gill lot and that will certainly be insured. We will have our handicap spots available there and work with ACCESS Manchester. Everything else is beyond our control.

Chairman Lopez stated on the Gill lot I know that there is some resident parking in that lot. What is your particular situation with that?

Mr. Smith responded that is actually an excellent question because in our Gill Stadium lease in term 1 the lease of the premises it clearly identifies that during our period that we are to control the Gill lot, if you will, and it is clearly pointed out in Exhibit A and clearly identified as the only parking lot on the site of the stadium that we do control. If we have members of the community and of Alderman Osborne's constituency that are parking there I guess I would turn it back to the Board of Aldermen. We are in control of that property, however, you

do have residents that are parking there and we would like to look for some direction and guidance on how to handle that situation.

Chairman Lopez stated the Committee will keep in mind that that is a problem that we are going to have to solve. You have worked with Ron Ludwig and the other lot that we have heard so much about is the JFK lot.

Mr. Smith responded correct.

Chairman Lopez asked have you been in contact with Ron Ludwig.

Mr. Smith answered yes. We have had numerous phone conversations with Ron. Our stance on the JFK lot and, Mr. Chairman, there have been a lot of mixed messages sent particularly towards the end of last week and it just astounds me how those mixed messages were sent. Just so you all know we have absolutely nothing budgeted for revenue or for expense for parking. This is not a part of our operation that we choose to go out and make millions of dollars on so we have no plans of using the JFK lot. What we have seen is that the JFK lot offers a solution to this situation, therefore, we feel that this situation is very important to rectify. We have offered our assistance to Ron Ludwig. If the City would like us to run it, we would be more than happy to. We would charge for parking and we have made an offer on a per game basis to Ron Ludwig to see if that is acceptable. That is currently a pending issue that he could give you some more insight on but if the City chooses to run the lot on their own that is fine with us. I think there is an opportunity there that needs to be capitalized upon and I think to just leave it wide open and to not be managed is not only going to ineffectively use the spaces but I think there might be some damages down there. The lot is certainly going to get dirty. We would be more than willing to clean up the lot the day after our games and provide the necessary insurance and the necessary staffing because with that JFK lot and I will go back to the graphic here when you enter the JFK lot on both the Maple Street and Beech Street sides there are two points of access. You can't just have one person working the entire lot and if you were to close off one side so people go on the other, it is an inconvenience to the general public so you need a person at each entrance point and since you are parking them from the inside out you will need two, possibly three attendants on the inside to manage this effectively and to make sure that it is done safely and properly. It is a labor that we estimate of about five people on a nightly basis, which is a pretty significant expense. Selfishly, we would love for somebody else to have to worry about the problem if we felt that it could be managed effectively but that is why we entered these discussions with Ron Ludwig to wait to see what his thoughts were.

Chairman Lopez responded thank you. I think you have done an excellent job bringing those problems to our attention. Mr. Ludwig in reference to JFK do you have the proposal so this Committee can make a decision or do you want to wait?

Mr. Ludwig replied quite frankly I have talked with Shawn as late of this morning. We have gone out and done some remeasuring of the lots themselves because one of the issues here was I was kind of under the impression that the ball team actually controlled more of the parking than it does, however, there is somewhat of an imaginary line from the northwest corner across, which is a line of demarcation in terms of their limits. Having been approached by the ball team in terms of the use of the JFK, my immediate reaction was that yes we are an Enterprise and we would like to receive some dollars here but again knowing what the situation is and their needs as well...I think it is an important piece for them to have controlled parking at the JFK otherwise you are going to have chaos down there. I don't want to speak on behalf of the Aldermen but there may be some issues in terms of people who do park there in the summer even though there is no winter parking ban. They do utilize that lot to some degree but Shawn seems to think that that could be somehow worked out. In other words the ball team plays from 7 PM to 11 PM but the argument is that a lot of these people are working second and third shift and like to come in maybe at midnight and park to 2 PM or 3 PM and leave. Maybe if he could accommodate that it would ease the concerns of Alderman Osborne in that ward. I know that is a concern of his. In terms of our operation of it, I really feel that if the ball team is going to collect some kind of monetary fee for parking that is fine. We looked at the number of spaces there. We counted about 325 but I think that is splitting hairs. Quite frankly you may get a few more or a few less so when you look at the money they can generate and what we can do we looked at a number of around \$150 per game to utilize our space. There are a couple of dates that conflict with school. One in April and one in May. I have had several discussions with Mike Beagenie who is here as well relative to talking to the school principal at Beech Street School on those days. That is a minor issue that I think can be worked out. There are a couple of other days where there are I believe matinees at 12:05 PM in July. We will look at those and work with our Fun in the Sun Director to either move the kids on that day or maybe take them on a bus trip to Hampton Beach or something like that. Those are the four dates that seem to be an issue right now, but not a huge issue.

Alderman Gatsas stated I am not looking to...you are going to have to worry about another 30 spaces at least for two weeks during double sessions for Central High football.

Mr. Ludwig responded that did come up this morning with the Supervisor on the site. We talked about that and I believe Alderman Gatsas, when they start on

August 15 aren't they in there at like 9 AM and then maybe 3 PM? I think that is the schedule.

Alderman Gatsas stated I don't know where these people are occupying the spaces later on but...

Mr. Ludwig interjected we did think of that. It is a good point.

Mr. Smith stated I actually had a conversation with Jim Schubert as recently as today and we have a meeting at 10:45 AM tomorrow at Gill. He starts on August 11 and whatever spaces Central will need for the practice field obviously and I said this to Jim we want to make sure that we accommodate his athletes so that is not an issue.

Alderman Smith stated I happen to have been born and raised in that area and I really think and I disagree with the Director of Parks and Recreation because I think the lot should be open to the public. It is like bleeding the public for a parking lot. I go back to when the University of New Hampshire hockey team played hockey for two seasons. Over 2,000 people were in that coliseum every night and somehow everybody managed. God knows on Thanksgiving Day there has to be 5,000 people at Gill Stadium. I would like to go back to the contract. There is no question that I believe Rule 58 is they figured three people per vehicle. Is that correct, Shawn?

Mr. Smith responded I think it is 2.6 or something like that.

Alderman Smith asked so if Gill Stadium is going to hold 4,100 what are you estimating would be there on any given night. 3,000 or 3,500?

Mr. Smith answered roughly 3,100 to 4,000.

Alderman Smith stated so you are talking about probably 700 vehicles in the area on any given night.

Mr. Smith responded I wouldn't want to comment on that. The point of reference that I gave was our example in Lowell and it was just a point of reference. How people choose to travel...I mean there have been a variety of studies done in a variety of areas, however, you may have 900 cars in the area or you may have 400 cars in the area. I don't feel qualified enough to agree or disagree with that statement.

Alderman Smith stated in Rule 58 they can be within ½ mile or 10 minutes.

Mr. Smith asked are you talking about the baseball arena.

Alderman Smith answered yes.

Mr. Smith stated really that...it is in the agreement in theory to be able to get people as close to the facility as possible. One of the issues that we had discussed going back to our discussion with MTA is looking at developing a swing plan if you will that if necessary, if it is necessary to run shuttles and I don't want to comment on behalf of Dave Smith's operation but it is something that they are interested in looking at and our concern there is with all of the directional signs we have been able to work along with Tom Lolicata and those of the State of New Hampshire to bring people to Gill Stadium everything is towards Gill. To run shuttles, everything is away from Gill. You get off of Granite Street and you make your way down to the left on Elm Street away from Gill Stadium. So to be able to satisfy the Rule 58 requirements if we needed shuttles that would certainly help assist the shuttle because then the walking situation isn't as important. Minor league baseball is fully aware of all of the entities that surround this issue and with a one year situation is willing to make the necessary adjustments.

Alderman Smith stated I do appreciate that. What I am getting at is the parking situation. Everybody thinks that this just came up last week. You read the newspaper and you think it just came up last week. It hasn't. Everybody can attest to the fact that it has been assessed as a problem right along. I agree with Alderman Osborne. I think we have to give some relief to those people who live on Green, Grove and Bell Street from Beech Street to Pine Street and have a detail or residential sticker because they won't be able to get into their house. They are multi-families and the garages in the back street only have one or two spaces and everyone today as you well know has a car so there are probably six cars in a three space lot. If you could address that, I would certainly appreciate it.

Chairman Lopez stated it is going to be addressed at the full Board. It is on the agenda. I think the two issues so that we can proceed are do we want Shawn to work with Ron Ludwig to control the JFK parking lot at a fee that this Committee will accept. It is either controlled parking or just open, free parking come what may. The advice is, unless I am reading somebody wrong, that there will be a mess over at JFK so I think the Committee has to make a decision on that. Secondly, is the Gill side portion, which the baseball team has a legal right to because they leased the stadium with the Gill parking lot included. I think that arrangements could be made for some of the residents there and it would cut down some of the parking at JFK but at least the Gill side they could count on us complying with the lease that they have.

Alderman DeVries stated as far as Gill Stadium being part of the Enterprise does that mean that we would not be able to set up an agreement for the potential revenues from the parking at JFK to help offset other City side expenses such as police details that might be necessary.

Chairman Lopez responded we are not talking about Gill. We are talking about JFK.

Alderman DeVries replied I understand that but I am saying that we will have some additional expenses in the area and the JFK parking lot falls under the Enterprise for Parks and Recreation so my question is if we set up an agreement saying yes we want them to follow through with potential revenues that are being offered in the agreement but first take care of potential City side expenses such as the police detail and then the left over revenues go to the Enterprise.

Chairman Lopez stated I don't know...maybe I am misunderstanding you because I thought we were talking about two lots that are not policed.

Alderman DeVries stated I think the baseball team is willing to take over stewardship of the lot during use and if I heard Shawn correctly he also was indicating that they would take care of the clean up and the monitoring of the parking lot. We don't know what the dollar amount is but there is still potential revenue for Parks and Recreation and I am suggesting that...yes I realize that JFK is part of the Enterprise system for them and traditionally doesn't cross over to the City side as expenses but if we set up the agreement and fashion it so that first if there is going to be need for police details such as we have at the Verizon today...we have off site police details that we are required to provide that we take care of those expenses first and then send the left over monies to the Enterprise.

Chairman Lopez responded I think it is a very good question and I am not going to speak for the Chief of Police but he has his regular patrol people out there that come in after a game and direct traffic in that particular area. As far as the expenses at Gill Stadium, the baseball team is responsible for all of the expenses inside.

Alderman DeVries stated I understand. Why don't I address the question to...who wants to tackle this? The Solicitor?

Chairman Lopez asked what is the question.

Alderman DeVries answered about the Enterprise.

Mr. Sherman stated JFK is an asset of the Enterprise and if they are generating any revenues on site there my initial thought is that those revenues should stay with the Enterprise fund. Now that doesn't mean that a policy can't be developed that says you can take those revenues and deposit them into the general fund. The basic rule of thumb is it is an Enterprise and it should stay within the Enterprise. I think from what I heard to get a handle on the magnitude here is that Ron said \$150 a game. That is not going to cover very many police officers. I don't know if it would cover one for the night. You are not talking a lot of money. Even over the entire season you are not talking a lot of money coming back in. Again, on a policy basis it can be decided either way but as a general rule I think it should stay at the Enterprise.

Alderman DeVries responded I am not looking to be a killjoy for the Enterprise but I certainly recognize that there will be additional expenses for us to pick up on the City side and I just think that we should use these to offset that. Meager as they are it is still less revenues that have to be picked up elsewhere.

Chairman Lopez asked just for clarification, Alderman, you are saying that there are going to be additional expenses. Do you know what those additional expenses are going to be?

Alderman DeVries responded well today at the Verizon...and I am assuming that there will be crowd management similar to what we have at the Verizon. Yes, the Verizon arena is responsible for taking care of all of the expenses for the police officers and security within the Verizon but we do have extra details that set-up some of the crosswalks outside and that is a City side expense. What I am saying is I envision a similar safety management by the police at this facility and I think that those dollars should go to offset that.

Chairman Lopez stated that is a good question. Why don't we refer that to the Chief of Police? Could the City Clerk send correspondence asking whether he anticipates an added expense or is he planning on using his regular patrol people for safety around Gill Stadium?

Alderman Smith stated first of all as you well know I don't think Gill Stadium should be in the Enterprise system. They grossed \$22,000 two years ago so I think the sum is insignificant. I am opposed to charging at JFK and I can tell you many reasons why. I just think that we are double dipping. The people are coming in and if we want to have somebody manage the control for us, fine. If there is an added cost, fine, but I think we should give something back to the community and I don't like double dipping.

Chairman Lopez responded I appreciate that and I think the Committee has to make a decision for these two gentlemen – Ron Ludwig and Shawn Smith, to either continue negotiations or we don't charge for JFK and it is a free or all. We have to give these people some guidance. I am asking the Committee what would your wishes be in reference to the JFK parking lot. Not the Gill side because that is under the agreement with the baseball team. Do you want to think about it some more and come back to it at the end of the meeting?

Alderman Gatsas stated it is our first major decision. This is some real heavyweight stuff here.

Alderman Guinta asked how much are we talking per car. Are we talking \$1/car?

Mr. Smith answered probably not.

Alderman Guinta asked who is saying \$150/night.

Mr. Ludwig answered again we looked at this quickly this morning. How many cars are out there and what we thought the Fisher Cats may charge. Shawn has indicated that in some cases they have a sliding scale of \$5 in one lot and maybe \$4 in another lot. We tried to factor in their expenses to manage and control that situation and actually \$150 represents about \$.46 per car if there is a vehicle in every 325 spaces that exists there. In an effort to try to show cooperation and take in a few dollars I suppose and I am really on the fence in terms of whether you should charge or not on this but we were asked to take a look at it and what we felt would provide control. As far as control I think the Fisher Cats would do a better job in providing control over the lot which led us to believe that they had to generate some revenue to try to offset those expenses.

Mr. Smith stated we had a similar situation with Sweeney Post. When we had presented the situation to Sweeney Post and asking if we could use their lot for player parking so we wouldn't take away spots for the general parking, Sweeney was very concerned about their membership and I respect that wholeheartedly. However, if Sweeney Post doesn't monitor their lot and whether they choose to charge or not is at their own discretion but if they do not monitor their lot it will not be sufficient for their members to come in there because the general public will do anything they can to get as close as possible. The same thing with Dr. Cote's lot and all of these surrounding lots. I know that if I was coming here as a member of the general public I would try to find any way I could to park as closely as possible. If someone chooses not to monitor their lot like the Water Works lot, which you can get into any time day or night, I think there is just a tremendous risk factor that the City is taking. We would like to offer some relief. I said to Ron and not that we would be happy to...I have a lot to worry about as

you guys certainly read but if you could take the JFK lot off my hands and manage it effectively and have the public be safe and clean and get everything in there effectively great. That is one less thing for me to worry about. I don't necessarily feel comfortable that that is going to happen. If like Alderman Smith recommended it is free to the public, I am certainly fine with that. I just think there needs to be some management and control of that. If we were to manage and control that, obviously we would have some expenses that we would need to work out but if it is just free we are very comfortable with that and I think that is kind of what got us to this confusion last week. When I said I didn't care about whether or not parking is charged at the JFK lot it didn't mean I didn't care about the JFK lot. It just means that we don't care who makes the money. We just want this to be a very comfortable and smooth destination for the community. Like I said at the beginning I have zero dollars budgeted to make off parking and I am going to accept that.

Alderman Gatsas stated well I guess Shawn for somebody to control the parking and be in charge of parking it doesn't make much sense when I see your tickets are at \$4 and someone is going to charge \$5 or \$10 to park. It doesn't make a lot of sense.

Mr. Smith responded that is true. We are not sure what the abutters are going to charge. Some people very well may charge \$5. If you look at what happened at the Verizon there are Verizon charges of \$5, \$10, \$12 or you can get your meter spot for the \$2.00 and park inexpensively.

Chairman Lopez stated I think we are going to move on. We will keep those two things for the end of the meeting because we have to give them some direction.

Alderman Smith stated thank you. I would just like to thank Shawn on behalf of the American Legion Post for making Gill Stadium available to us during the season.

Chairman Lopez stated thank you Shawn. We are going to get some guidance as we go along. We will let the Committee think about it because it is a major decision here. I saved the best for last I guess. Gill Stadium. Frank Thomas and Mr. Brooks can address Gill Stadium first and then secondly the new stadium.

Mr. Frank Thomas stated I think the Board of Mayor and Aldermen got the report within the last week. Gill Stadium is moving along quite nicely. If you were over there today it looks like a beehive of activity. Quite a lot is going on and progress is being made. The only thing that stands out that will most likely not be done for the start of the season is the elevator but the work is proceeding on that.

Mr. Brooks stated things are going along nicely as you can see by all of the activity as Frank mentioned. Within two weeks we hope to start installing the seats.

Alderman Gatsas asked how many square feet did we contract with SRI to cover there.

Mr. Thomas answered I don't know the exact square footage. The total contract amount I believe was \$811,000, which included anything from the upgrade up to the finished surface along with stockpile materials.

Alderman Gatsas asked, Mr. Brooks do you know how many square feet.

Mr. Brooks answered no.

Alderman Gatsas asked nobody knows how many square feet.

Mr. Brooks answered if I had to guess I would say 125,000 square feet or so.

Alderman Gatsas asked 125,000 square feet.

Mr. Brooks answered that is just a guess.

Alderman Gatsas stated well I noticed on the articles that were passed out and Frank I don't know if you sent them to us or...

Mr. Thomas interjected I dropped them of. I have been continuing to monitor them both on the web and through Harvey Construction and Parsons-Brinckerhoff.

Alderman Gatsas stated I noticed an interesting article and maybe I am not the right person to put stuff in front of because I tend to read it but on the fifth page where it says "dome leaders say bankruptcy shouldn't delay turf installation" about the Minneapolis Metro sports facility they used SRI but SRI for that venue had 122,000 square feet to cover. Their cost was \$715,000. It doesn't sound like we got too good a deal for the City.

Mr. Brooks stated there was a bid process through Harvey Construction. You don't know all of the particulars so it is hard to compare apples and oranges. There are a lot of...

Alderman Gatsas interjected well I guess if we go back to the SRI bankruptcy who is responsible for the eight-year warranty at this point.

Mr. Thomas responded I have met with the City Solicitor's Office, Tom Clark, and we are still reviewing that. We are looking to obtain the actual bankruptcy filing. I will let Mr. Brooks speak in a minute but as far as I am concerned the City was proposed the use of this type of material and the City approved it and the approval came with an eight year warranty so I would be looking, at least from my end, to hold Harvey or 6 to 4 to 3 to honor that warranty if SRI or some spin-off doesn't step up to the plate to honor it. It is still under evaluation as far as the City and the City's legal people.

Alderman Gatsas asked, Mr. Arnold, what is your opinion.

Deputy Solicitor Arnold answered we are presently awaiting a copy of the bankruptcy filing, which I understand was on the 13th of last month, to determine what kind of bankruptcy has been filed and whether it is a Chapter 11 as I see in some of the business press or whether it is going out of business, which seemed to indicate a liquidation, whichever process they use would probably affect the right that the City has to enforce the warranty so I am really not in a position to answer without seeing the actual bankruptcy filing.

Alderman Gatsas stated let's try it again. I think you heard Mr. Thomas that in his belief Harvey or 6 to 4 to 3 would be responsible for the warranty. Is that your legal opinion as the Solicitor?

Deputy Solicitor Arnold responded I would have to look at the documents involved. I couldn't give you an opinion like that now without having reviewed the contracts between those two parties and the City.

Alderman Gatsas asked Mr. Thomas have you had a conversation with the City Solicitor's Office about this before today.

Mr. Thomas answered yes I did.

Alderman Gatsas asked how long ago.

Mr. Thomas answered well over a week ago.

Alderman Gatsas asked and you are still waiting back for an answer from Mr. Arnold.

Mr. Thomas answered no. I talked to Tom Clark. Again, the issue here is to get a copy of the filing. I requested to obtain a copy of the filing to Harvey and PB. I haven't received a copy yet. The City Solicitor's Office mentioned to me that they couldn't give a detailed evaluation until they did take a look at that. However,

there are a lot of different options that are available. I think the important thing is that the City is holding from Harvey Construction approximately \$230,000. The work remaining is very minimal. I understand that we didn't receive our stockpile of material. Bob Brooks can probably follow-up a little bit more on this but I also understand that the SRI people have voiced interest in continuing to work on the field. Bob, could you add to that please?

Mr. Brooks stated we have also been in contact with SRI, both ourselves and Harvey. What we hear back from of the sales people is that the sales people are trying to organize to buy out the company or are doing a reorganization to take over the company. They want the company to go on. We have attempted to contact the lawyers for the company and basically we are waiting to hear back. As Frank mentioned we have approximately \$230,000 that if...there are different options associated with that as to whether we obtain bids from other turf manufacturers to take over the warranty or under the reorganization the warranty is honored but there are a lot of ifs, ands and buts. The good news is that we have \$230,000. The field is down and the field has been checked. The only thing we need to do is rake it for the opening. The field was checked before the winter. It was fully installed. We do have the name of the turf and dirt manufacturer to make sure we have the clay and gravel that you use to build out the mound and the base paths. So we feel very comfortable about proceeding forward with this upcoming season and into the future really.

Mr. Thomas stated I think the bottom line is that we are and myself on the City side will pursue whatever we have to so that we do wind up with the eight-year warranty. Again, I think that was a very important part of the decision process that was made by City staff when we approved this astro turf and I think it is something that we are going to want because again it is an investment of \$811,000 and we are going to want to protect that investment over the eight year timeframe. As Mr. Brooks mentioned there are a lot of options. Harvey may want to step up to the plate and take the \$230,000 and finish up the minor work and guarantee it long-term. As Mr. Brooks mentioned there are other turf manufacturers out there and for \$230,000 they may be willing to step up and cover the warranty or there might be some spin-off of SRI. So I think we have a lot of options available to us. We will not close out the project. We will not release the retainages until this issue is resolved.

Alderman Guinta asked Frank do you think it would be prudent if the City Solicitor's Office issued a letter either to Harvey and/or 6 to 4 to 3 clarifying the issue of the warranty in order to protect the City.

Mr. Thomas answered I would suggest that we give Tom Clark and Tom Arnold a little bit more time to get a copy of the filing. I verbally have passed that

information on. I do not have a problem sending out that letter under my signature and just putting them on notice that we expect to somehow receive an eight-year warranty.

Alderman Guinta stated I would feel somewhat more comfortable if somehow we had a written document at least from our perspective whether it comes from your office or the Solicitor identifying that concern and I make the motion that it comes from the appropriate entity.

Alderman Gatsas duly seconded the motion to send Harvey a letter putting them on notice that the City expects to receive an eight-year warranty for the field at Gill Stadium. Chairman Lopez called for a vote. There being none opposed, the motion carried.

Alderman Smith stated I am reading a couple of documents and I have several documents here. One says that the stadium developer is responsible for the design and renovation of Gill Stadium including the artificial playing surface and then the lease agreement with 6 to 4 to 3 says under repair maintenance "during the term the tenant shall at his own cost and expense make all repairs and replacements whether ordinary or extraordinary foreseen or unforeseen." Also on Item 11, Page 5 it says alteration by the tenant and it says to replace the turf with a new artificial playing surface, Rule 58 improvements. So I think there is a little bit of teeth in this Master Lease.

Alderman Guinta responded that is one year but we have an eight-year warranty and we need to issue the letter.

Chairman Lopez stated I think that it is a very good point because if something is done verbally people say well I didn't understand that. Maybe things ought to be done in writing because the clock is ticking and we have to get some of these things resolved.

Alderman DeVries stated Mr. Thomas maybe you can address for me the \$230,000 that you are holding in retainage how are you tracking that in the financial statements that we receive.

Mr. Thomas responded the retainage isn't showing up on the sheet that you have here. However, Harvey held back the payment of \$140,000 and there was also a retainage of I believe \$80,000. I am tracking all of those retainage figures separately.

Alderman DeVries stated for the benefit of our financial statements could you give us the retainage on all of the projects when you are giving us the budget amount so

that we can keep track of if we are getting critical close and losing control over that amount. Not just for Gill Stadium but for the rest of the projects as well.

Mr. Thomas answered yes I can do that.

Alderman Gatsas stated Frank that was a stop payment on a check that was sent out. That wasn't anything on a retainage basis.

Mr. Thomas responded no there is a retainage on the...

Alderman Gatsas interjected \$40,000 or \$8,000.

Mr. Thomas replied yes. We are per say not holding that \$140,000 on the stopped check, however, here are requisitions coming in every day and the next time a Harvey requisition comes in that will be deducted and if they don't deduct it themselves we will deduct it from their payment and put it back on the City side.

Alderman Gatsas asked the stop payment went into effect on what date.

Mr. Thomas answered it was the Monday after the filing, which was February 16 I believe. It was referred to us on February 17 that in fact they...I take that back. It was the 17th. Monday was a holiday and the 17th was the first business day after the holiday. The check had gone out the Friday before. So the 17th.

Alderman Gatsas asked and the bankruptcy was when, that Friday.

Mr. Thomas answered I believe the filing for the bankruptcy was the Thursday before.

Alderman Gatsas asked what was the check date that was issued. The reason I am asking is because you may run into a problem with bankruptcy court on an asset of a company that was filing bankruptcy that you stopped payment of a check on.

Mr. Thomas replied that is a possibility and that was one thing that was discussed with the City Solicitor's Office. Again, until the Solicitor's Office gets a copy of the bankruptcy filing to see what comes out of that a lot of these questions can't be answered right now.

Alderman Gatsas asked if it is an asset what happens.

Mr. Thomas answered it could be tied up by the bankruptcy court.

Alderman Gatsas stated well let me just tell you what my concerns at Gill Stadium are and I think that they are significant because one the mixture that is under the turf is much different than the mixture we have at West Memorial. It is a lesser grade mixture is that correct? Mr. Ludwig you are shaking your head.

Mr. Ludwig responded I don't know that to be the case.

Alderman Gatsas stated it is not as deep.

Mr. Ludwig asked where.

Alderman Gatsas answered at Gill.

Mr. Ludwig responded I don't think that is true.

Alderman Gatsas stated my understanding is that they are different.

Mr. Thomas stated it is my understanding also, Alderman, that they are different. From what I understand under West there is a solid, for no better term, like a plastic layer under the synthetic turf. That is the way it has been explained to me. Under Gill Stadium you don't have that plastic layer.

Alderman Gatsas stated my other concern is I am sure you know that the Philadelphia Eagles had SRI turf installed at their new facility and the first game of their pre-season they had to cancel because after the weather when they opened it up they had some major problems. So my concern is that we are just barely...we don't know what the ground underneath the product that was put down...what happened with that and whether it was compacted enough or not. I have some serious concerns that there could be some major problems there and I think that somebody should call the Philadelphia Eagles and find out what their problems were to make sure that if they start surfacing here we understand how to correct them and do them quickly.

Mr. Brooks stated just two comments. Number one over time there are different types of evolution of turfs and turf products. Some have...the older ones certainly had more layering.

Alderman Gatsas responded this is just this year.

Mr. Brooks stated I am getting to that. Compared to the installation that Ron talked about there is certainly a different...it is not the same type of material. What I want to point out is every year a turf manufacturer or supplier comes up with a new product. It is an evolutionary cycle. That is number one. So the turf

isn't going to match 100%, the artificial turf. Number two is that we monitored the installation of this material. Ron actually had some of his people watching it to see how it was installed and for the future maintenance.

Mr. Smith stated I believe the turf in Philadelphia is a hybrid of actual grass and turf together. I don't believe it is 100% turf. I think that may have been what caused the issue. I am not certain.

Alderman Gatsas stated I think you will find that it is close to the product of SRI. It is SRI's product.

Mr. Brooks responded but it is different. The third point that I was going to get to is football turf and baseball turf is different.

Chairman Lopez stated well we are going to know soon enough.

Mr. Brooks stated we are monitoring this. Please be advised that we are going to monitor this. We are not turning our back on the issue. We are on top of the situation.

Chairman Lopez stated the City attorney and Frank Thomas and everybody is right on top of it so whatever has to be done legally to make sure we are protected I am sure they will do it and I suggest as the motion we just made that things be put in writing so there are no misunderstandings.

Alderman Smith stated I would like to ask one question. I have been over at Gill Stadium on a weekly basis and I know that Harvey Construction is working long hours. They work on Saturdays and they are working until 5 PM and 6 PM but one thing I don't know is is there going to be any padding on the outside fence. Now it was originally supposed to be in there and now I understand there won't be any padding on the fence. Now I don't know. I know that it was a Rule 58 requirement at first for the Eastern League.

Mr. Brooks stated we are going to have some signs up there. It will be a combination. Some of it will be padded and some of it will be advertisements that are approved by the league.

Chairman Lopez stated let's get on to the new stadium.

Mr. Brooks stated I would like to give you an update on our new ballpark schedule. I think that is important to identify. First of all we are still scheduled to open. Right now this is a Primavera spreadsheet. I would be happy to make copies. It is a construction spreadsheet. If you don't have Primavera we cannot e-

mail it but we can get you a copy of it. This is a work-in-progress that is updated basically as we go along. As I presented last time and also to the Planning Board we originally took a look at the construction schedule and in order to meet an April 2005 opening what we had to do was rather than wait until the design was 100% complete for all of the elements of the ballpark we identified the need to separate out certain construction elements, basically the below ground element, which would be the h piles and the foundation element, which would be the concrete structure that sits on top of the h piles before we would bid the big package of the steel and the rest of the ballpark. We originally wanted to have an early construction package starting in April. Our schedule started with a prequalification, which is ongoing now by Harvey Construction. We originally on March 4 would start to get our plans in and then on March 8 we would have a bid package out. Sequentially we would get out the plans to the bidders and have a pre-bid conference if you will on March 16 and have the bids come in on the 23rd and award the contract on the 29th. Sequentially the following month with the foundation package we would have the design completed around April 4. We would have the plans available to the contractor around the 5th. We would have a pre-bid conference around the 13th. We would award the contract around the 29th or we would have the bids come in around the 29th and award around May 1. We took some test piles out on the site this past week and we found that the design of the ballpark was infringing upon the sewer that runs parallel to the river so we decided that we need to shift the ballpark slightly, which is requiring a redesign of a section of the ballpark. We were going by...I must back up and say that we had the original construction plans. We designed it as a check that we better go out and double-check. We did and we found out that we were a little too close so we are in the process of shifting the ballpark a bit. We are working with Frank Thomas and the Highway Department on that. We are actually going to delay the bid one-week. So everything is going to shift one week. We are going to be distributing the plans; instead of on March 8 it will be March 15. The contractor's pre-bid will be March 23. The bids will come in around March 30 and we will award the contract around April 5. So everything basically has slid one week.

Alderman Gatsas asked have you developed a final construction cost price.

Mr. Brooks answered a preliminary price came in based upon the concept plans and that required going through some value engineering with Harvey Construction and we don't have the final price.

Alderman Gatsas asked what was the preliminary one.

Mr. Brooks answered the preliminary one was based upon the concept plans and I would rather not discuss that.

Alderman Gatsas stated well we are moving forward with a \$28 million project, no let's reduce that to a \$25 million project and we are going down a road, the same road that we went down with Gill Stadium. I don't think Frank Thomas is comfortable with that proposal. I don't think he is comfortable moving down that same road with a \$25 million project. Correct me if I am wrong, Frank, but I don't think you would have advised the City to start Gill Stadium and go down the process that we were in without first having a construction price in hand of what it was going to cost us.

Mr. Thomas responded you are correct. Gill Stadium was kind of unique because of the time and fast tracking. We didn't have a GMP on that project until we were substantially into the project. I tend to agree with you. I think that we do need a GMP on the new stadium project sooner rather than later. I do agree that we should be moving forward with the foundation and pile construction and if I understand correctly if we do go ahead with that that will give us a little bit more time for PB and Harvey to finalize the price. I would not recommend to this Committee that we move much farther than the pile foundation contract without a firm GMP and also quite frankly approval on the stadium design. You have seen renditions but you haven't gotten a detailed presentation on what the final design is to go along with that GMP. So, I agree that the team and Parsons and Harvey should move forward immediately to start the pile work but I agree with you that we should not go much beyond that until we have an approved plan and an approved GMP.

Alderman Gatsas asked, Frank, why would we go one step forward with sticking any piling money in there until somebody came to us and said here is the cost of the project because this is going to be and as the Chairman will tell you this project is always on the move. Moving every day and I just feel very uncomfortable that we are moving down a path that says well it is just the pilings today and we are not sure of the design and we have to move it because of the sewer. I think that at some point somebody needs to come to this Board and say here is the final rendition. There is no retail. There are 185 units going in. Here is the ballpark. End of conversation. We need to do a closing on Bedford Street. Those are all issues that I think if any project...Mr. Brooks if you were spending your own personal money you wouldn't go forward with any other plans.

Mr. Brooks responded I think what we are faced with is we should be further along than we are. Absolutely. When we came on board in December we found that the ballpark had to be redesigned because of the railroad property that could not be acquired. We should be right now at a point in time three months later where there is a set of plans before you but what we had to do over the past three months is redesign 1/3 of the ballpark so we are basically at the same point in time that we were last fall in regards to concept plans. I agree with you. In the normal

procedure you have a total set of plans before you that you can review and bid one major construction package. We are not at that point in time and in order to meet the deadline of April 2005 we need to divide the project up into various elements. What is going to happen below ground is not going to change. Once the basic footprint of the baseball stadium is set, that isn't going to change. We have gone through the piling and permitting with DES and that basic footprint isn't going to change. You go out and you get proper bids. I talked to Harvey today and they have six to eight qualified bidders that they are notifying and we hope to get three or four bids in on the pilings. So that basic price you are going to get the best price no matter what and actually the sooner we bid it the better because the price of steel is going up. If we delay the project any longer in bidding we are not going to meet the 2005 deadline and the price of steel is going to go up so the sooner we bid the project for the underground portion the better and then whatever is left over based upon the bids we can take a look at and apply to the rest of the ballpark and at that point in time if there is any need to value engineer further we can do it at that point in time.

Alderman Gatsas stated I am certainly not looking to delay this project but I don't think anybody is being fair with the City assessment because we don't know what this project is going to cost. What happens if your design work that comes in that you need to change comes in at \$29 million and we have pilings in the ground and the steel has been bought and it is there. What do we do?

Mr. Brooks responded the way I understand the agreement is that the ballpark developer is responsible for all costs over and above the \$27.5 million.

Chairman Lopez stated I think Finance can answer that question.

Mr. Clougherty stated I agree.

Mr. Brooks stated so a ballpark will be built if the price is whatever it is. I don't know right now. It will be built and there will be a team playing here.

Chairman Lopez stated I want to clarify something. Frank, in conversation I think, the pilings you want to have go into the ground and then get the GMP. Just to clarify your position here what I have been told by staff is that we would delay it if we don't get that particular portion done because we will never meet the April deadline. Am I correct?

Mr. Thomas responded that is correct. This whole project from Day 1 has been fast tracked. I mean design was going on six months to a year before you had the first agreement signed. As we mentioned earlier on, construction was underway at Gill Stadium before you even had an approved Exhibit B that anybody was happy

with. Construction was probably 1/3 of the way along before you had a GMP. Would I like to see a GMP and approved design before we break any ground on the new stadium? Yes but again I think you have to face reality. I think the Board of Mayor and Aldermen supported this project and supported the timeframe. For whatever reason things have fallen behind but again is it my job to try to facilitate this project? Yes and I want to see this stadium open come next April. Is it a reasonable approach to take to put out these pile designs? As long as it is clear that we pay for the piles and installation in its proper location and if something gets screwed up and piles get put down and for some reason there is a change the team is going to eat it. I am not going to authorize payment on it. Again, I believe if you are looking to try to get this project done and open by April 2005, which will be a challenge at best, you have to move forward now and try to get caught up on that GMP. I would not recommend moving beyond the pile foundation with a GMP and an approved plan. I think they understand at least where I am coming from.

Chairman Lopez stated just for my own clarification, Mr. Brooks, in the document where it says construction sub-total of \$18,283,839 that is not a hard cost that Frank Thomas is looking for. Do you agree with that?

Mr. Brooks asked are you referring to...

Chairman Lopez interjected the July 11, 2003...

Mr. Brooks interjected that is the Harvey Construction price that does not include contingency or other soft costs. That is in there and there is also another price I think of \$19.1 million and \$1.2 million. So it varies in between there. It depends on how you look at contingency and how you take a look at the soft costs. There is also insurance in there and guarantees.

Chairman Lopez responded I see it all here but I just want to make a clarification here and maybe I am wrong. This is not the hard cost that he is speaking of just because it is on this document. Is that correct?

Mr. Thomas asked what documents are you referring to.

Chairman Lopez stated the minor league correspondence of July 11, 2003, which was an exhibit in one of our agreements.

Mr. Thomas stated that was attached to the development agreement. That was a preliminary budget estimate. No, that quite frankly is probably out the window right now if you compare it to some of the other line items. The number I am looking for is a guaranteed maximum price to construct the new stadium based on

a full set of plans that is presented to this Committee and approved by this Committee.

Mr. Brooks stated and that will be at whatever the bids come in at.

Chairman Lopez stated I just want to clarify that.

Mr. Brooks stated it is public record and the contractors need guidelines to go by so they take a look at the guidelines and those are available to the public when they compare prices.

Alderman Guinta stated I am sorry if this question was already answered but you are out to bid now right.

Mr. Brooks answered no.

Alderman Guinta asked when are you going out to bid.

Mr. Brooks replied the first construction project for the new ballpark will be the h piles and then followed a month later by the foundations. The h piles right now...we will have a package available to the contractors March 15. The contractors will be able to pick up plans on March 15. The award of the contract will be April 5.

Alderman Guinta asked for the h piles.

Mr. Brooks answered correct. Now that includes h piles and fencing the site and some minor site work and some minor grading, erosion control measures and the standard site prep that has to occur.

Alderman Guinta asked what about the foundations.

Mr. Brooks answered the foundations will occur a month later. Right now the schedule is to have the foundation package available to the contractors on April 12 and award of contract around May 1.

Alderman Guinta asked and you already assume that you are not going to be using the same contractor for both.

Mr. Brooks answered we could very well or we could use different contractors.

Alderman Guinta asked so when you talk about a 12 month construction schedule are you talking from April 5 or May 1.

Mr. Brooks stated right now with the h pile...put it this way. We are due to open April 1, 2005 and that is the deadline. When we let out other contracts for the big steel and everything we put a contingency on there. We say the contractors bid upon this and he needs to finish his work by April 1. That is a bid fact. Whether he wants to put on crews or whatever in order to meet that deadline it is included in the price of the bid so you put a deadline on it for April 1.

Alderman Guinta asked so we are going to know up front if this cost is going to be higher than the \$27.5 million.

Mr. Brooks answered correct.

Alderman Guinta stated so we should know by May 1.

Mr. Brooks responded you won't know until the contract is bid, which will be sometime after May.

Alderman Guinta asked when is the next...

Mr. Brooks interjected we are trying to work with Harvey and HNTB now. HNTB doesn't have their design advanced enough for them to give us a deadline on when we can take a look at that to bid it to value engineer to see what the price is going to be. We are doing it in sequence because we need to put these contracts out in sequence.

Alderman Guinta asked so essentially because of the time constraint we are under the bid process is going to require a premium cost. Each bid is going to require a premium cost.

Mr. Brooks answered not necessarily.

Alderman Guinta stated well if you tell me that I need to get you something in a condensed period of time...

Mr. Brooks interjected why do you say it is a condensed period of time. We are condensing the time on our part.

Alderman Guinta stated I will preface the question by saying this. Before you came on board we always talked about a construction schedule longer than 12 months. The first time I heard 12 months was when you said it I think two meetings ago, which was a surprise to me but if you are saying you can do 12 months I am happy to see it. After doing some research it seems clear to me that a

12 month schedule, if you are starting it from a March 15 bid date, which really means a construction date of April 5...well actually it doesn't really mean April 5 but assuming the contracts are awarded April 5 and you want to get in on April 1, 2005, that is 12 months. It is highly unlikely that the size and the scope of this project is going to take 12 months without the premium cost. You just said you are going to be putting these pieces of the project out to bid with a timeframe. Well I think anybody responding to those contracts is going to say I can't do this with the size of a normal crew. It is going to have to be expanded, which means it is going to be more expensive. That is why I am assuming that it is going to be a premium. That is the concern that I have and without a GMP why should we even issue any dollars until we know what the general scope is price wise? That has to be a legitimate concern of ours.

Mr. Brooks responded first of all the time schedule...I don't know where on earth people would say this is a 16, 18 or 20 month time schedule. I heard that thrown out for a long while. This is a simple ballpark. The field out there is basically flat. There is minimal earthwork that needs to occur. There are issues with pile driving certainly but this ballpark easily can be built in 12 months. The estimates I got from others around the league were 12 to 14 months and that is at a relaxed pace. First of all, 12 months is certainly within a timeframe on a normal pace. We, on the other hand, as the construction manager as the owner's rep are fast tracking our effort to get contracts out on the street. We can't wait three months or four months until the total ballpark is designed. That would only give us eight months to build it so we are fast tracking our efforts, not the contractor's efforts. We are fast tracking our efforts to get contracts out on the street. It is as if we are going six months back in time and having everything completed. We are saying okay well sequentially what do we do. We need to do the piles. We need to do the foundations. We need to do the steel. We need to enclose the structure. We are fast tracking it on our part. Now the contractor when we start putting out the bids for the major work like the steel and the ballpark, they will still have enough time to build it. We just give him a deadline. We have even talked about giving him a deadline beforehand because we have done value engineering before and taken a look at what needs to be done and when you already have a lot of this work done and based upon the timeframe too you are running into a good season to start construction and you are not putting bids out in the fall or winter. You are starting in the spring and early summer on major elements and then you basically have the whole ballpark enclosed and you are doing interior work during the winter months. The sequence of the schedule and when things are supposed to be open fall very nicely. Without...if you said we needed to build a ballpark that typically takes six months in four months then yes it would be an accelerated schedule and you would pay a premium for it but when we take a look at the schedule right now, it can fit into a normal 12 month sequence.

Alderman Guinta asked if that is the case then why at the Planning Board was the back up plan being discussed last week.

Mr. Brooks replied because they asked. It is normal. You never go forward without a back up plan.

Alderman Guinta stated well you have a 12-month contingency despite the fact that you are so confident that this is going to be done in 12 months.

Mr. Brooks responded it is prudent.

Alderman Guinta asked it is prudent to have a 12 month contingency for a...

Mr. Brooks interjected it is prudent to have a back up plan.

Alderman Guinta responded yes it is prudent to have a back up. I understand but backup to me is three months.

Mr. Brooks replied we were asked if we had a back up plan and the answer was yes.

Alderman Guinta stated you are telling me that you are going to do this in 12 months. Why is your back up 12 months and not 3 months? Why would you do a 12-month back up if you are telling me it is a relaxed schedule? This is the problem we are having here because I have talked to other developers around the state who seem to concur with the grave concern that 12 months is an accelerated schedule and it is going to cost a premium. Either they are lying to me or they are lying to you.

Mr. Brooks stated the question that was asked at the Planning Board was if you can't open for any reason on April 1 what is your back up plan and I said we would play away, we would play games away for a couple of weeks.

Chairman Lopez stated let me jump in here. There is a plan. All the documents are here. If there is something unknown that happens and they have to play at Gill or play away or whatever the case may be there are procedures in the MOU to do that. We can argue back and forth all night on who is right and who is the expert on building here and I think the credentials of the developer are pretty good. I think with Frank Thomas on Board and with his recommendation as to what is going to happen we are going to be following this very, very closely and again I said it before. We are here to try to solve problems not create the problems so we will move forward and if we have to we will meet every week to solve the problem and I said that before at the first meeting.

Alderman Roy stated I have some quick questions for Bob Brooks and then Frank Thomas. You said that you already have a preliminary cost, correct, and you are working on some value engineering.

Mr. Brooks replied a concept cost.

Alderman Roy asked what is your timeframe...I heard you say you are going to work on it. What is your timeframe of getting a hard number?

Mr. Brooks answered we are trying to refine those concept costs right now. I would say within two to three weeks. Unfortunately what happened is the fellow from Harvey went on vacation, their estimator but we did value engineer last week for two days and right now we are taking a look at what those numbers were and we are taking a look at what the implications are of those numbers and reducing some of the elements of the ballpark.

Alderman Roy replied so if I am hearing you correctly two to three weeks of value engineering and we should have a hard number in four weeks would be safe or conservative.

Mr. Brooks responded a hard number based upon concept.

Alderman Roy asked and you are also planning on April 5 being in the ground and starting the piling, the site work and the fence of the proper, erosion control and site prep. Is that correct?

Mr. Brooks answered April 5 is the award of the contract. The contractor could mobilize within a week and start work within that week or else the next week.

Alderman Roy asked what is the end date that you are looking for for that contractor that you award that to.

Mr. Brooks answered the pile driving should be completed within a month.

Alderman Roy asked so we are looking at May 5 no matter when he mobilizes that you are expecting that first contract to be completed.

Mr. Brooks answered correct.

Alderman Roy stated so it is very safe to assume that we will have a hard concept cost by that time in Frank Thomas' hands.

Mr. Brooks responded based upon concept plans, again...

Alderman Roy interjected stressing the word concept at this point.

Mr. Brooks stated stressing the word concept.

Alderman Roy stated in hearing that I will direct the next question to Frank. Frank, are you comfortable with that and do you feel that we are on track for an April 2005 opening?

Mr. Thomas responded if they move ahead with the piles in April I believe that they have a good chance of getting the stadium open for the following April. Yes, they may have to pay some premiums, however, once we have an approved set of plans quite frankly they are on the hook to pay that premium and pay any other costs that come up. They are on the hook and they have to make up the difference. The problem that we have right now is we don't have an approved set of plans or approved scope of service so we don't know what we are buying. Once we know what we are buying it doesn't matter to me what it is going to cost because they are going to have to pick it up. Yes, we want a GMP as soon as possible but what is even more important is that approved set of plans and specifications.

Alderman Roy stated I have a follow-up question for Finance. Once that number is hard and set it is very clear that the baseball development team, whoever that entity is, currently Drew Weber and I like Drew and hopefully he is around for a long time, they are responsible for any overages what we have bonded correct?

Mr. Sherman responded that is correct.

Chairman Lopez stated and I think and maybe I am going to anticipate a question here but people have to understand that there are certain things that happen and I think one of the major concerns is if X doesn't have the dollars in there, if is \$29 million and he doesn't have the money in there are letters of credit that kick in, there is the Eastern League and Randy for the fourteenth time will you explain what happens if that procedure happens in reference to there not being enough money on the principal's part.

Mr. Sherman responded I guess there are two different times that that could occur. If it is during the construction period and we get a GMP that exceeds they are supposed to deposit those excess funds immediately so we know that those funds are there to complete the construction. If that doesn't occur we have the letter of credit from Mr. Weber that the City can unconditionally draw down on. To follow that on the operating side if they then don't make their lease payments that again is why that letter of credit is there and the letter of credit, once it is drawn down,

needs to be replenished. So it is not that those dollars are only there that one time, it is a constant replenishment of those dollars. So even though the City can go in and unconditionally draw that down to meet one of the obligations it is incumbent upon 6 to 4 to 3 and Mr. Weber to replenish those dollars into that letter of credit.

Chairman Lopez stated one thing I want to say to the Committee to is I am as anxious as any Alderman is to get things done and get the figures but I think it has been said many times that it is such a complicated situation that we are working on and working right along. Now either we take the recommendation from Mr. Thomas, who recommends that we proceed or we stop him and then we delay the project. Now those are the things that we have to issue and if we delay the project and then they go on a second year at Gill Stadium it becomes our fault. I think the documents are all written up and we should all understand them and try to review them again. It is hard to absorb everything. I have probably read them about three different times and every time I read them I find something but that is why we have staff so we have to take their word and go along with their recommendation or not go along with their recommendation but we have to know what the consequences are.

Alderman Gatsas stated I think that Mr. Sherman made the very clear statement that when a GMP is forward and let's assume the GMP is \$25 million. That would mean that Mr. Weber would have to come forward with the difference from the GMP to what that amount is. Now until we get the GMP and correct me if I am wrong because you two gentlemen were very much involved in the Verizon Center, there wasn't one stick or one brick moved until there was a GMP in place. Is that correct?

Mr. Clougherty responded not exactly, Alderman. As you recall there were soft costs. There was engineering and architectural work as I recollect that was done on that. There was also, I think, some site work that was done but I could go back and check that if you would like.

Alderman Gatsas replied but that is not a brick. None of those things that you just talked about are bricks and mortar.

Mr. Sherman stated the City actually fronted, I believe it was \$2.5 million or \$3 million on that to get to the point where you could go out to bid and get your GMP but you are right, it was not bricks and mortar at that point.

Alderman Gatsas stated that is based on engineering. We have \$2 million of engineering here that is in place of which \$1.4 million has already been hit upon. So, I guess if we want to play the semantics that you want to play with me because I am saying that the GMP...before we spend a nickel, if this was your money and

we are the custodians of the taxpayer's money, before a nickel is spent because we haven't delayed anything. Agreements were signed in September. We haven't stopped anybody from doing anything...

Mr. Sherman interjected Alderman I do think...

Alderman Gatsas interjected let me finish please. The door has been wide open. Frank has been looking for guaranteed prices for at least three months that I hear. I don't know when he got Gill Stadium's. Have you got Gill Stadium yet?

Mr. Thomas responded yes we do.

Alderman Gatsas asked when did you receive that.

Mr. Thomas answered I guess the November timeframe maybe.

Alderman Gatsas stated so we were probably how much done on the project before you received it.

Mr. Thomas responded I would say we were probably 1/3 into the project.

Alderman Gatsas stated and we keep talking about conceptual Frank and we are not talking about guaranteed because the conceptual price as we all know is just a number. So that is not a guarantee. That is not a guaranteed maximum price. That is a conceptual price. So, you can sit there and you can say to me it is going to change conceptually for the next six months. Until we receive a guaranteed price because I don't know what the h pile is going to cost. What do you have for conceptual price for going out to bid with the h piles? What is the conceptual price on those?

Mr. Brooks stated I can't give that out because competitors may use that as a bid guide.

Alderman Gatsas responded I guess that is my problem. We don't know whether it is \$1 million or whether it is \$4 million. We could be into the project better than 20% of cost and not have any idea where we are going with a guaranteed maximum price. I think that Frank is sitting there saying we need a maximum guaranteed price to go forward. He wouldn't do this project with the City if he didn't have a guaranteed maximum price in place.

Mr. Clougherty stated Alderman I don't necessarily disagree with you but I think you have to go back and put this project in some frame of context here. When this project came forward, there were some guidelines in terms of timetables for this

project to be done, just as you recall there was an aggressive timetable for the Verizon Arena. We had to open it for November 15 or there would be some issues there. So there was an aggressive proposal there. The documents that we put in place and worked with on the baseball stadium were put in place and I think they set out realistic budgets, realistic timetables, realistic controls and protections for the City, however, from the time that the project started there was a period where the developers thought that they could enhance the project by including some property along the railroad and the project got delayed. Now if that had come to fruition that would have been great but it didn't so now we are looking at the set of documents that we have and we are up against some timetables. The timetables that were put in place originally I think allowed for some elasticity and were conservatively estimated and I think that is what Mr. Brooks was talking about so you may be up against a 12 month construction period but we had allowed some time for this in case there are some things that go wrong and something always goes wrong with projects this size in terms of the development and their schedule. With respect to the phase now of getting the GMP and moving forward I think you have to keep in mind that once the Board of Mayor and Aldermen had made a commitment to the owner, it is not just this project that we are trying to move along. He has gone out and expended a lot of money based on decisions and commitments that are made by this Board. He has gone out and he has bought a team. He has gone out and expended some money with the Red Sox. He has gone out and spent a lot of dollars of his own on a path over here to bring some things along and you can't divorce the two. I think you have to realize that we are moving along this project and it was designed to be a partnership and everybody wishes that it was probably a little bit faster but we are at a point in time where we have to make some decisions about scheduling. Now I think everybody would be much more comfortable doing the GMP the way you described. I don't disagree with that, Alderman Gatsas. I think it would be nice to have the GMP.

Alderman Gatsas asked Kevin is that what the contract calls for.

Mr. Clougherty answered yes that is what the contract and the concept originally was but as you know this project has not evolved according to some of those schedules and consequently we have to move to the spirit of the agreement and make sure that we are not doing something to cause some damage to the partnership.

Alderman Gatsas stated but we can't use the agreement when we want to use it, like now, or not now. We want to use it during the appraisal process because those dates were instituted. So September 30 we tell the appraiser you have to go by those dates now all of the sudden we say we don't want to use the contract for GMP.

Mr. Clougherty responded well that was not a date that was in the correct is my recollection. The process was laid out in the contract and the date was the time we set. I think that is a little bit different. The point I would make is and Frank and I have talked about this on several occasions. I think we both come back to the fact that the City has made a commitment to build a stadium and we are working with a reputable builder and engineering firm and they have assured that it can be done within a reasonable timeframe and they have assured us that we can move forward with the project and get it achieved so that we honor the commitments that have been made to the league and I think that is important. The other piece that I think is important is if the City is going to look to future development and I think we have a lot of things that we have benefited from from our success with Verizon and with the Airport. I think we have to take that into context and work with the development team as it evolves. You will recall that with Verizon that development team evolved on several occasions. It may happen here. If we get to the point where we get a GMP back and it is in excess of the dollars that we have there are some options available to the owner. He may bring in other investors. He may decide to go to a private bank to get some dollars, capitalizing some things that he has. He has some options on his size. It is not all the last resort types of things that Randy rightfully articulated here. There is some middle ground for some things to happen there. What we are trying to do is work with not only the baseball team but the hotel developer and Mr. Chinburg and his residential piece of the project to make sure the City gets a quality project on a reasonable time schedule. I agree with you that in a perfect world it would be nice to be able to have this thing bid out.

Alderman DeVries stated I am back in the Memorandum of Understanding and it clearly, as Alderman Gatsas pointed out, stresses that we need to have the guaranteed maximum price but it is also referencing on Page 18 of that document that prior to financing being made available to the stadium developer that we need to have the GMP in place or have the sufficient funds escrowed.

Mr. Clougherty responded that is what Randy was talking about is if you have a difference it needs to be escrowed.

Alderman DeVries asked to pay any amounts.

Mr. Clougherty answered right.

Alderman DeVries asked so are we saying before those contracts are going to be signed for the piles or whatever else we are looking into entering into an agreement he is going to need to escrow additional dollars if we suspect that that is going to be greater than the letter of credit that we have in place today.

Mr. Clougherty answered my understanding is that it would not be in excess of the amount of the letter of credit that we have but certainly if we find...

Alderman DeVries interjected I couldn't hear your reply.

Chairman Lopez asked what is the question again. There seems to be some background noise here.

Alderman DeVries asked do you have the Memorandum of Understanding in front of you. I am on Page 18 of that and it is addressing some preconditions on the financing being made available to the developer. It says that the fixed price or guaranteed maximum price needs to be in place before financing is made available. It is starting on the top of the page and works its way down. It is also saying either escrows or the account if it is not all in place.

Mr. Sherman responded right but I think what you have to understand is the fact that you have signed subsequent documents that now supercede the Memorandum of Understanding on those issues that are addressed in the document. Now you need to look at the Development Agreement.

Alderman Gatsas stated it spells it out the same way. I will save you the time but you can look.

Alderman DeVries asked so where are you in the Development Agreement.

Mr. Sherman stated if you go to 5.4 you can pay reasonable and necessary costs associated with the permitting of the project consistent with the product, the design cost to the extent the developer has secured a fixed price or guaranteed maximum price contract and that such contract has been approved by the owner.

Alderman DeVries responded so that is pretty much laid out the same way. So you are saying you dropped the escrowing of the funds.

Mr. Sherman replied yes and if you recall and I know that I was out of town because I got lambasted for being on a business trip but Kevin came back to you in November and got the approval to release some of those dollars, which you have the ability to waive anything under this agreement.

Alderman Gatsas stated that is not a conditional piece though.

Alderman DeVries stated Alderman Gatsas is right. That was a partial release of the funding and I guess I am more worried about the contract that we might be headed into that are going out to bid. That is going to lead us down the road of

some substantial cost so I am wondering is he escrowing or are we going to have that guaranteed maximum price?

Mr. Sherman responded the City is not entering into those contracts.

Alderman DeVries stated the City is operating at risk.

Mr. Sherman responded 6 to 4 to 3 is entering into those contracts and I think what Frank said is he is not going to be releasing any of those dollars until he gets the information that he is looking for.

Alderman DeVries stated so in other words Drew Weber is operating at his own risk at this point.

Mr. Brooks stated that is a good point and could you clarify that Frank. If we put out the pile contract and the foundation contract and have basically monies in for millions of dollars you are not going to release...we are going to submit an invoice to you to get reimbursed and you are saying you are not going to release that until you have a GMP?

Mr. Thomas responded the contract says that no funds will be released until there is a GMP other than for engineering costs, etc. That is what the contract says. I would suppose this Committee does have the right to waive that requirement until it gives you the opportunity to get a GMP but that is what the agreement says.

Chairman Lopez stated I think it has been pointed out very clearly that we don't mind Mr. Thomas and you agreeing to go ahead with the pile driving and everything but the GMP has got to come in...well let's clarify so that I understand what is going on here. It is very clear what Frank said that he is going to need the GMP and the cost of the piling could be bore by the owner. Is that correct? You are not going to pay those bills until you get that?

Mr. Thomas responded that is what the agreement says unless this Committee gives me authorization to waive that requirement.

Chairman Lopez stated I agree with that. Let's go back to the original...about an hour ago I think you said you would let him proceed.

Mr. Thomas replied again my recommendation is in order to get this stadium built or have a chance to get this stadium built and opened by April 1 they have to move forward. I also stated that we want to get an approved set of plans and a GMP as quickly as possible and the agreement spells out that the City is not to release any payment on the project until there is a GMP.

Chairman Lopez asked do you understand that Alderman Gatsas.

Alderman Gatsas asked do I understand. I think I have been very clear understanding the contract. We need to either abide by the contract through the limit of the contract in every manner or not pick and choose when we are going to say the contract is in effect or not in effect. I think it is very important and I think that the GMP is a significant issue because I can tell by Mr. Brooks's reaction when I asked him about conceptual price he turned an ash gray and Mr. Thomas put his glasses on saying please don't ask me a question now.

Mr. Clougherty stated I think that is right. The whole point of what I had spoken to before is if you want to stay on schedule and you want to move the project in for the timetable. I think what Frank is saying and what we discussed is you have to move forward with the pilings. If you don't want to do that and you want to wait to get a GMP there is a whole series of other consequences that you need to consider in terms of how this project falls and in terms of what your responsibilities are and how that affects your business partner and some of the commitments he is making. I would concur with Frank. I think that at this point in time it would not be imprudent for the Committee to go forward with allowing the piling phase until you get the GMP.

Alderman Gatsas asked that means we are approving the payment of that.

Mr. Clougherty answered yes.

Alderman Gatsas stated no.

Alderman Roy stated I just want a clarification. Alderman Gatsas just said approving the payment of that and Kevin said yes. If you go back to what Frank had referenced if for some reason they have to be moved that would be the developer's responsibility, correct?

Mr. Thomas responded right. What I would like to see is that we authorize the team to move forward with the installation of the piles so that we have the chance to get this project done. I would further also like to make the recommendation that we pay them for that work as long as they can substantiate that they have gotten bids for the work and that they are awarding to the low bidder or they give us a good recommendation why they didn't. I would also put in that proviso that if they moved ahead and for whatever reason the stadium shifted or something happened because they don't have a full design that it would be at their own risk and we would only pay for what could be utilized in the future. To me that is fair. We are trying to support the construction. We are trying to get this thing done.

We want them to proceed. If they are proceeding at a low bid price...again I don't have a problem recommending that we pay, however, we have to draw the line in the sand somewhere and say okay you can't go beyond this point until we get that GMP, until we get the plans done but at least it gives them the opportunity to proceed.

Chairman Lopez called for a recess.

Chairman Lopez called the meeting back to order.

Chairman Lopez stated I would like to conclude this particular subject and continue to move forward with the recommendation from Frank Thomas, along with the Finance people to continue to move forward with this project. There will be an opportunity somewhere down the line and I think Mr. Brooks it is loud and clear about the GMP so taking the advice of Mr. Thomas and moving forward I think that is the right course to go so we are not delaying the project and a second year would have to be played at Gill Stadium and other things might transpire in the meantime. I think in cooperation with the developer we should move forward on this.

Alderman DeVries stated I would like to spend some time on the design elements for the stadium because it has been a little bit influx the last couple of times I have heard the presentations. Have you made any progress in the last week finalizing what the exterior of the building will be made up of?

Mr. Brooks responded that is part of our value engineering. We are taking a look at a combination of elements. I think the next time the architects are in town they can give you more specifics of what the exterior is going to look like. That was brought up at the Planning Board meeting...

Alderman DeVries interjected when do you expect that the architects will be in town.

Mr. Brooks responded within three weeks.

Alderman DeVries stated I guess my question would be for Frank Thomas who is overseeing the project. Lucky you. Have you seen the components as suggested at this point in time?

Mr. Thomas responded no I haven't seen the results of the value engineering.

Alderman DeVries asked do we have anybody on the City side who does get included in any of the...I am just trying to get a feeling. We are going out for

guaranteed maximum price and I just don't know what we are pricing out at this point because it seems to be evolving.

Mr. Thomas answered it is evolving.

Alderman DeVries asked so who is involved on the City side representing our interests for a facility that we will own.

Mr. Thomas answered nobody at this stage.

Mr. Brooks stated City Planning. We presented it to City Planning the other night and the architects went through the different palette of exterior textural finishes that it could be.

Alderman DeVries asked are you talking about the Planning Board meeting.

Mr. Brooks answered right and before the Planning Board meeting we met with City staff.

Chairman Lopez asked City staff meaning Mr. MacKenzie.

Mr. Brooks answered correct and Pam Goucher.

Alderman DeVries stated I guess I have a question because we hired an individual to help us oversee some of the costs. Is that correct?

Mr. Thomas replied that is correct.

Alderman DeVries asked why is he not involved in the process of working out the design elements so that we have some insight if nothing else as to the changes that might be made to the facility or can we arrange for that to happen for us.

Mr. Thomas responded we can ask PB and the architects to have one of our people sit in.

Alderman DeVries replied I think that would be prudent any time there is a meeting discussing any of the design elements that we have representation at the table if for no other reason than to understand the implication on the facility.

Mr. Thomas responded keep in mind that by this agreement we only have approval authority. Approval authority basically could be after the fact after they have finished the plans and presented them. That is why I said it is a critical step that we get a set of plans in detail presented to us and the Committee to get approval.

Again, you have asked the question what is the number that Harvey gave them. We are not privileged to that. I think Alderman Gatsas alluded to the fact what kind of money do we have to spend on the stadium. We don't have access to that information. Again, if you read the agreement the agreement doesn't say that we have the right to sit in and monitor the design as it is taking place. We have the right to comment and approve if they are willing to allow either any of my staff or myself or our consultant to sit in as they are doing value engineering, as they are reviewing Harvey's numbers I would be happy to have somebody sit in.

Alderman DeVries asked so I would put the question back. Is that something that you could approve of?

Mr. Brooks answered at a point in time where we feel comfortable with what Harvey is providing to us sure there is no problem with that in resolving some of the issues.

Alderman DeVries asked at a point in time.

Mr. Brooks answered correct. Right now isn't the point in time. We are really trying to take a look at the numbers and where they came from. There is a lot of misinformation floating about. I am sure there are good intentions involved on everyone's part but there is a lot of misinformation floating about and we need to gain control over that.

Alderman DeVries stated certainly but the misunderstandings aren't going to go away I don't think until we have somebody at the table. Can you give me a better idea of what point in time...I mean are we talking a week from now or...

Mr. Brooks interjected I will need to get back to you on that. I need to see where we are in the value engineering process. Until we can actually come in with a better price...

Alderman DeVries interjected I will defer to Alderman Guinta if I may.

Alderman Guinta stated that is exactly what we are talking about. The value engineering. You wouldn't at this point be willing to allow us to have somebody sit in on those meetings at this point in time?

Mr. Brooks responded it is not in allowing. There is a proper point in time at which it should occur. Right now it is not the right time.

Alderman Guinta asked based on what is it not the right time.

Mr. Brooks answered based upon the set of concept plans that we got. Many of the details are not complete and we are trying to get them complete from HNTB.

Alderman Guinta asked what would be the problem with one of our people sitting in on the meeting...how would that disrupt whatever you need to do to get to a point where you then feel an appropriate...

Mr. Brooks interjected as Frank described there was a set process established and I wasn't involved in it. I mean this is not the way to typically do things.

Alderman Gatsas asked what we are doing.

Mr. Brooks answered yes what we are doing without question. Without question you should have had a long lead-time of two years. You should have 100% complete documents of what you get a GMP for and you go out to bid in sequence and you have two years to build it. This isn't the situation we are in. It is what it is and we are trying to do the best we can to build a facility with a given budget as best we can for the City and if that budget comes over what the City bonded the owner is obligated to pay for it. If it comes one dollar more or millions of dollars more.

Alderman Guinta replied you have said that twice and Finance said that once. So that is three different times tonight that that has been discussed so now I am going to kick open the door a little bit more. Are we...who is going to ask for an updated financial accounting of Drew Weber? Is anybody going to do it because we are going down the road of exceeding the total bond number?

Mr. Sherman responded the only group that can ask for an update of Mr. Weber's financials are the league. What we have is better than that. We have a letter of credit.

Alderman Guinta replied well I don't think it is better than that. You have a letter of credit and if you exceed...you know twice Bob Brooks tonight and once I think you said it that if we exceed Drew has to pay. Now you just said what we have is something better, which is a letter of credit. Are we going to be drawing on the letter of credit or are we going to be going to Drew?

Mr. Sherman responded based on the agreement...

Alderman Guinta interjected you draw down on the letter of credit.

Chairman Lopez stated let him answer the question.

Mr. Sherman stated if the GMP comes in higher than the budget, the project budget, they are supposed to deposit that difference into an account and then the City has those funds available to pay as the reimbursement requests come in. if we do not get that money deposited then we would go and draw on the letter of credit to take those funds and deposit them to see that the project gets complete.

Alderman Guinta asked and then the letter of credit has to be replenished.

Mr. Sherman answered yes and then the letter of credit has to be replenished.

Alderman Guinta asked and the amount of time that it has to be replenished...

Mr. Sherman interjected if you want to go to another question I can look it up and get back to you.

Alderman Gatsas stated Mr. Brooks I think you hit the nail squarely on the head. You said it very succinctly and I couldn't have said it better that we wouldn't do this project going in the direction that we are going. The only control we have is to achieve a guaranteed maximum price before we distribute one nickel according to the contract. That is the only protection the City has and for anybody to make a motion that we should pay for the pilings or pay for the foundation before a guaranteed maximum price is in place because Frank doesn't even know if the baseball field has a dome on it or not because conceptually you could do anything you want with that so I think until that is in place because you said it very succinctly that that should happen. I can have the Clerk read back for you your statement.

Mr. Brooks answered please do.

Alderman Gatsas asked could you read it back please.

Mr. Brooks stated I said this isn't the process that you would typically use.

Chairman Lopez stated the Clerk can't read it back.

Mr. Brooks stated there is a typical way to do things and that is what I inferred. I said this is not a normal process and it isn't and I outlined what a typical normal process is but it is what it is so you adjust to it. There are certain elements of the ballpark that are not going to change and that is what is underground. Once you have your basic layout, once you have your basic field, how you support that underground isn't going to change so there are certain elements that can be built that aren't going to change. As Frank indicated if for some reason you run into something then you have to pay for it.

Alderman Gatsas asked what is the date that you expect that you can get a guaranteed maximum price to the City.

Mr. Brooks answered I would have to get back to you on that. I would assume that it would be within 60 to 90 days.

Alderman Gatsas stated so we are going to be...60 to 90 days takes us to May.

Mr. Brooks responded at the point in time that we have a low bid for the piles and we have established that, which isn't going to change and we have a bid on the foundations of which everything is going to sit on, which isn't going to change, the plans will be completed by HNTB for the other structural elements in the rest of the ballpark of which we will get a GMP on from the contractor and that will establish what the GMP for the project will be.

Alderman Gatsas moved to have the developer go forward with their own risk. As Mr. Thomas said, it was a risk and they understand that those pilings if they put in a requisition in 60 days for payment that we aren't going to pay it.

Mr. Brooks responded I didn't hear Frank Thomas say that.

Alderman Gatsas replied that is exactly what he said.

Mr. Brooks stated I think he modified that at the end.

Mr. Thomas stated what I am hearing the Committee say here tonight is that you do not want me to authorize the payment of any requisitions for construction on the new stadium until there is a GMP.

Alderman Gatsas responded other than the ones that were approved in the past, the engineering...

Mr. Thomas interjected correct. The engineering, the soft costs are permitted to be allocated without a GMP but I am hearing the Committee say that you don't want me to authorize the expenditure or reimbursement of any City funds until there is a GMP. Now based on my understanding of what this Committee wants, basically what you are saying to Mr. Brooks is that the team is to move forward as quickly as possible with the pilings and foundations, however, there will be no reimbursement until there is a GMP. That is what I understand the Committee is saying.

Chairman Lopez stated that is what I think Alderman Gatsas' motion is. Mr. Brooks, do you want to weigh in on that?

Mr. Brooks responded well one question I have is just having come on in December as the owner's representative and realizing that at one point in time...we are in this position basically because the railroad property was not acquired or not negotiated with the developer, the Master Plan developer in the City, which caused our architect to redesign 1/3 of the ballpark. We would have a complete set of plans now on which we could get a GMP on if it wasn't for the railroad. Now just coming on I say what caused this delay I guess? I mean at one point in time there was a power plant, there were cinemas, there was \$100 million worth of development. Correct? The ballpark proceeded and this is my understanding based upon the history of the project just coming on board. Now all of the sudden things changed. I am not sure what happened but things changed and now I have to build a ballpark under these conditions and I am not here to argue with you. I am just raising the question. What happened? I mean if the normal process had gone forward you would have your GMP. We would have a fixed price.

Alderman DeVries stated actually I would like to answer that. I think what has happened is we are very nervous first about the final product that we are going to see that the City will own and you are asking us to take a leap of faith in authorizing payments before a GMP and I would put that right back to you. I don't know that it is going to be possible if we do not become more partners through the design process to know what it is you are designing and what the final product would look like. I think that would go quite away to appeasing at least this Alderman that the final product will be good. I would suggest that you work on maybe fulfilling that with Frank Thomas so that the answer might be different the next time you come back looking either for authorization to expend or whatever the next questions are going to be. I don't think we have to answer this tonight. I would suggest that you work with Frank Thomas to see how we can include the City more as a partner through the design process because I do think some of our questions might go away, some of them.

Alderman Guinta stated the rail issue you said pushed us back by three months. Is that what you are saying? I don't even think it is 60 days. I think it might have pushed it back 30 days. The LLC issue halted this process for almost two months or 45 days. I don't think we want to get into the situation of pointing fingers at each other. I would echo the sentiments that we need to create a partnership here that allows this project to go forward and to allow it to go forward in a manner that allows you to get in the stadium by April 2005 and allows the City to have a stadium that is a quality stadium. I really don't think we should be pointing fingers about you know are you going to hold this up. I think what our

responsibility is is to adhere to the letter of the contract and the contract says we don't issue funds until we have a GMP. So I would agree and echo the sentiment let's get the GMP. Let's not point fingers. Let's not talk about what happened three months ago because there is a whole list of things that we can go over item by item and I don't think we would like to do that. I think we would like to be partners, be good partners so we can all create the end product. If we could have the GMP I think we are going to move along nicely and we actually have to adhere to that contract. We are bound by it. We would like to adhere to the contract and move forward.

Alderman Smith asked Mr. Brooks if we go this route and we ask for the GMP how long will it take to get this. Two months? Three months the project would be delayed?

Mr. Brooks answered I think what you are saying is stop the project until we get a GMP. It would probably be three months.

Alderman Smith stated in regards to this I know that these plans have been changed due to like you said the railroad now and I guess that another plan has to be changed because we got into a problem with the interceptor and it is not where it should have been or whatever and I don't know what this does to the presentation by HNTB.

Mr. Brooks responded basically what you have to do is shift the ballpark south and then rotate it on its northwest access in order to avoid the sewer line. So it is an easy fix. It just requires you to revise your plans. That is why it is only a week delay. There are other options we are considering about cantilevering over the sewer and we have some sketches that are going to be presented tomorrow to Frank Thomas and that is another option. So, the delay if you will is only a week. It is nothing major. It is not worth saying this is going to cause a month delay. It is basically a minor tweak but it is a tweak.

Alderman Roy stated Mr. Brooks you had mentioned that the GMP will take you 60 to 90 days to complete. Is that correct?

Mr. Brooks answered correct.

Alderman Roy stated we were talking about an April 5 awarding of the piling bid. In looking at the 60 days, how much and I know you don't want to disclose dollars for bid purposes but what percentage of the project are we looking at being completed in the next 60 days? Bids awarded, in the ground with the pilings, what percentage?

Mr. Brooks responded it is hard to say. Somewhere in the 20% range.

Alderman Roy asked and if we went with the non-payment until we got a GMP you are telling us that we would be setting the project back three months.

Mr. Brooks answered correct.

Alderman Gatsas stated I just want to remind my colleague and I think Mr. Thomas will attest to this, that I talked about the sewer some six months ago because I asked if there were federal funds involved and how that would affect change in that sewer or what would happen to that sewer line. So, the sewer was brought up and I know, Mr. Brooks, it was before you participated but I brought that question forward to this Board some six months ago because I knew there was an interceptor there because they talked about having to move Singer Park at one time to recharge that interceptor. I asked if there were federal funds involved and the answer was no so that we could go forward.

Mr. Thomas responded you are correct. The proper location of this interceptor has been an outstanding issue for some time now. Back a couple of months ago there was a proposal to use ground penetrating radars to try to determine it so it has been an issue out there that has finally been addressed.

On motion of Alderman Gatsas, duly seconded by Alderman Guinta it was voted to enter into non-public session under the provisions of RSA 91-A:3II(d). A roll call vote was taken and the motion passed unanimously.

Members met with the Deputy City Solicitor and staff regarding the sale of property.

On motion of Alderman Gatsas, duly seconded by Alderman Guinta it was voted to reenter public session.

Chairman Lopez stated we have to deal with two issues. One is the Gill Parking lot that the Fisher Cats have do we provide necessary parking spaces in some other place and direct that spaces be allocated to the residents over there so that the baseball team can comply with the agreement they have and the other thing is to give guidance to Ron Ludwig as to whether he wants to lease out JFK to the Fisher Cats and work out the agreement with them. What are your wishes?

Alderman DeVries stated I want to address the resident parking. Has anybody identified the number of people that are parking there today or have been regularly over the last couple of months? Are we talking 10 spaces or 2 or 3?

Mr. Ludwig responded you can't really use the winter months as a very good barometer.

Alderman DeVries asked because of the on-street parking.

Mr. Ludwig answered well they very badly have to use the area right now because of the parking bans and such. In the summer it is a lot less but like I said there are some people who utilize it. I am going to say maybe 25 or 30 or 50 cars. Occasionally we see a tractor trailer parked there. It happens.

Chairman Lopez asked so there are no set parking spaces at the Gill parking lot for anybody. It is first come-first served?

Mr. Ludwig answered the way it is now, right.

Chairman Lopez asked and that is mostly in the wintertime.

Mr. Ludwig answered yes.

Chairman Lopez stated so no resident has claim on any space in particular at the Gill parking lot. So with the agreement that we have with the Fisher Cats we can put up notices down there saying that they have to remove their car by April 1 or 15 or whatever the case may be and leave it like that because that is not really an assigned parking space. I just want to be fair to the residents that they get notice that they can't park there after a certain date and if the Committee is comfortable with that we can direct Ron Ludwig to work that out with the Fisher Cats.

Alderman DeVries moved to have Ron Ludwig work with the Fisher Cat organization to post signs notifying residents that they will no longer be able to park at Gill Stadium. Alderman Guinta duly seconded the motion.

Alderman Gatsas asked does that mean that...I certainly don't think that Ron should be responsible for paying for the signage or worrying about whether he has ample people there to control the parking issue. I don't think we should be charging anybody and I think the Fisher Cats should have to put their people there to make sure that they are going to protect the parking area for the people who are going to watch the game and that they won't be charged. I don't think Ron should have to worry about putting bodies down there at the City's expense or the Enterprise's expense.

Chairman Lopez responded I agree with you wholeheartedly and that is not what I am saying. Whatever signage is needed I am sure the Fisher Cats will pay for.

Alderman Gatsas asked and if they want to put somebody there to maintain it then it is a free for all and anybody can park there.

Chairman Lopez asked where at Gill.

Alderman Gatsas answered yes.

Chairman Lopez stated well I think they are going to have somebody there.

Alderman Gatsas stated well JFK is actually what we are talking about.

Chairman Lopez responded no we are talking about Gill. Just Gill.

Alderman Gatsas stated Gill is already an issue that is under their control.

Chairman Lopez stated we are just directly the Superintendent to work with them and tell them that they have to put up some signage down there to tell the residents that they can't park there after a certain date whatever that certain date is, whether it be April 1 or April 15 or during the games or whatever the case may be.

Alderman Gatsas asked what about JFK.

Chairman Lopez answered that is the other issue. Let's do this one first.

Chairman Lopez called for a vote on the motion. There being none opposed, the motion carried.

Alderman DeVries moved to instruct Ron Ludwig to discuss the revenue agreement and come back to the Committee with the finalized dollar amount being looked at. From what I heard earlier tonight that was all just speculation as to what the dollars involved here might be. I would like to hear the final plans on that but I would not have a problem setting aside a yet to be determined number of spaces for residents. I don't know how you plan on policing that. I think that is a discussion you need to have with the Fisher Cats to see if it is resident stickers or something that can be passed on in a chain to anybody that they wish to sell a parking space to. It would have to be a fix I guess. There has to be a method there and I would make the motion to work on the methodology and come back with your final and we will take the vote.

Alderman Guinta duly seconded the motion.

Chairman Lopez asked Ron do you have any questions as to what we want you to do.

Mr. Ludwig answered if I am understanding it right you do want to see some kind of for pay arrangement worked out between the City and the Fisher Cats that would include some residential parking.

Alderman DeVries replied absolutely. I think there is a need to set aside some spaces for the residential. Would that be your recommendation that you would like to see?

Mr. Ludwig responded again I am not the one suggesting that I am going to do the policing of this event. I am putting the onness on the ball team to do that policing so on evenings when there are ball games I guess they would be trying to control who is going to park in the designated or who is not going to park in the residential spaces. That would be on them to control that.

Alderman DeVries stated I guess you should have that discussion with them and if they tell you that there is no way they can accomplish that feat then this Committee will have to make a different decision.

Chairman Lopez stated just a clarification about residential. Now you are throwing the equation of residential into the JFK parking lot. We don't have residential there. They don't park at JFK. They park on the Gill side but again that is in the wintertime all over the place wherever they can find a space. Then you have the Central football team.

Alderman Smith stated I am definitely opposed to this agreement and I will tell you why. If you go down to the...the borderline for the ball team is the JFK Coliseum or we will say Grove Street I think it is. You have the Russian Orthodox church there. They have church services and so forth and they park right on the corner of Green and Beech Street. Also, I really think that we should afford this to the people who are coming to the ball game. It is hopefully only going to be only one year and we should provide the service. I have been to many contests at the JFK Coliseum and somehow I find a place to park and so does everybody else. Like I said, UNH played their hockey games there for two years and they had crowds over 2,000 so I would just like to see it open space and if it is first come-first served so be it.

Alderman DeVries stated I don't know that we are ready to give a final motion here. I don't think we have enough information so let me just clarify it. I heard up to 50 residential people are being vacated out of Gill Stadium and JFK combined in the summer. This is what I heard from Ron Ludwig.

Mr. Ludwig responded again in the summer months we don't pay as close attention to the parking along Gill Stadium on Beech Street as we do. There are cars that are sometimes left there for a week. There are sometimes cars abandoned which we ask the Police to move out and that is not a good thing. We do monitor that parking lot. This will be the first time that we are really monitoring it from the respect of who parks there because they really need to because they can't park in front of their home on Green Street or Grove Street or one of those streets or is it just ease of being able to park somewhere. There are parking issues down there. There is no question about that and maybe some people just feel safer in the summer parking their vehicle in the lot. When we talk about Gill and we talk about JFK they really kind of migrate across one another. People don't look at it like Gill or the JFK although there is an imaginary line that kind of divides the two parking areas.

Alderman DeVries replied so what I was encouraging you to do is go back with the Fisher Cats to work out an agreement to take into consideration a number of residential spaces that you can determine and see if it is feasible to develop some sort of policing system. They are going to control the lot. I do envision them charging in that lot. They may come back and say there is no way that we can have free residential parking spaces within a paid lot and you will come back to this Committee with that information and we will make a final vote. I do envision there is some revenue for either the Enterprise or the City to offset expenses and until we know a dollar amount we don't need to make that decision so I would say enter into those discussions and let us know what you come up with.

Mr. Ludwig stated again from my perspective from the beginning I really thought that the JFK lot was part of the entire deal with the ballpark so any discussions I have had with them so far have not been money related. Only recently there has been some discussion about there being some fee implemented for the use of the JFK parking lot. Whether the Enterprise was to really reap the benefits of that or not isn't really coming from me. However, it does make sense to provide some kind of control of the parking lot if you want to maximize the 325 cars that might fit there.

Alderman DeVries responded I would encourage you, since I do envision them charging at least \$5 a car for the privilege of parking so close that if the best offer you get is \$150 that maybe you ought to consider it as a better revenue source...consider the expenses because maybe you can make more money for your department if you choose to run that.

Mr. Ludwig stated the \$150 per event really came from me and not from them.

Alderman DeVries responded I think it is low. It is a low dollar amount.

Alderman Gatsas stated I don't believe that even if we were at \$5 a spot for 40 games that is \$60,000 a year that it is going to enhance the Enterprise fund or anybody else but it is going to affect 300 people going to the ballgame. I don't think we want to be to blame for getting \$60,000 and charging more for parking than they do for a ticket. I don't think that that is what this supposed partnership is all about. I guess I would wait until you come back with some sort of agreement but this Alderman's feelings would be not to charge for the parking that is there. We all have a vote here and certainly we can go whatever way we want.

Chairman Lopez stated well I don't think it is too much work but it is up to the Committee. If you don't want to charge, make a motion and I will accept the motion and we will vote on it. It is not fair to waste people's time in going to do all this and then to come back and say we don't want to charge at Gill Stadium.

Alderman Roy stated just for clarification I did have a quick conversation with the baseball representative. They are not necessarily looking to make money off of this. They just want control. Their fear is that the 325 spaces uncontrolled become 150 spaces and that impacts the quality of the enjoyment of the ballpark experience. So I would look to Ron to come up with a plan, whether it is a revenue source or a free source to put together a plan that someone has control over that facility to maximize 325 spaces or 30% of what they are looking for on total.

Alderman Smith stated I have to agree with my colleague and we disagree most of the time, Alderman Gatsas. I hate to see this...I will tell you why if they have total control they are going to have total control of who goes in there and who goes out and who is to say who is going to be parking in there. More than likely it will be somebody with identity to the team. That is my personal opinion.

Chairman Lopez stated well if the Committee is going to turn this down there is no sense in wasting people's time. I will entertain a motion.

Alderman Smith moved to allow free parking at JFK. Alderman Gatsas duly seconded the motion. Chairman Lopez called for a vote. The motion carried.

Chairman Lopez stated so there is nothing to work out. We are not going to have him work out something that we just voted not to do.

Alderman Gatsas stated well somebody needs to control it.

Chairman Lopez responded no nobody is going to control it. That is what you just voted for.

Alderman Guinta stated I think Alderman DeVries' motion was not directing Ron to issue a payment schedule. It was to come back to this Committee with some proposals for parking for residents.

Deputy Clerk Normand stated the only motion that has been voted on and accepted was the first one stating that Ron Ludwig was to work out signage requirements with the Fisher Cats and the residents in regards to Gill Stadium parking. The motion that initially was to work out a permitting process for the users of JFK parking was not voted on. At this point we have a motion for the signage requirements to be worked out and the motion for free parking at JFK.

Chairman Lopez asked so what is the sense of having them waste time making a plan for parking at JFK when we already voted to have free parking.

Alderman Gatsas responded with all due respect I think what they are saying is if somebody doesn't control it then 300 spaces could go down to 175 spaces because somebody is parking over the line, etc. I don't think we should be worrying about the Enterprise fund supplying people to control it. If the Fisher Cats want to maximize their spaces then they will put some people down there to oversee that. I don't think it should be the Enterprise fund that is going to be responsible for maintenance, clean up and everything else.

Alderman DeVries stated I really don't think that the team is going to be incredibly interested in not having a way to offset the expenses for the individuals that need to control it. It could have been \$1 for the lot but somehow somebody is going to want to recoup the expenses involved in cleaning it up and manpower, which is probably \$10/hour for how many controllers to get them to park appropriately. That is why I suggested that Ron work with them and then bring the proposal back to us. Yes, they may only be interested if there is a dollar amount but find out the bottom line and find out what they would like to do. If they come back and say they want \$10/car, ask them if there is a lower amount because the Aldermen already showed some interest that they wanted it to be free. Maybe they will say cost only expense.

Mr. Jabjiniak asked can I make a suggestion. Let's just let Ron Ludwig be the fullback and work on something formal to bring back before you next meeting and you can decide what to do with it from there. I think a formal control there is something that is needed.

Chairman Lopez asked can you send a plan to us, Plan A and Plan B whatever that is. Don't ask me what it is. Just work with them and tell them that the Committee

voted to have free parking at JFK and that is the vote. It can be changed. Does somebody want to withdraw their motion?

Alderman Gatsas stated it can be changed at a later date. Where are we at with the equipment that came from Singer Park? The lights, the staging, the benches?

Mr. Clougherty stated we had asked Frank Catapano to put together an inventory for us of all of that information, not only the equipment but revenues that were taking in during the course of that six months and we just got it on Friday. We have given it to the team, to Bill and his staff and we will be looking at it this week and going over it to make sure it is accurate and it bounces up against some of the stuff that we have.

Alderman Gatsas responded I guess my question is...let me clear my mind so that I understand. Did we not pay 6 to 4 to 3 \$1.1 million as a reimbursement for Singer Park?

Mr. Clougherty replied the legitimate cost of the bond is that reimbursement.

Alderman Gatsas stated so we did reimburse them and in that reimbursement that included the lights, the scoreboard, the bleachers...were all property of the City because we paid for them, we own them.

Mr. Clougherty responded no. We had \$800,000 in debt that we had incurred for the construction of that originally. They have in advance of the process they went out and paid off that debt for us. They, as part of this project, have decided that they wanted to take an allowable cost on the bond for reimbursement for some of that land acquisition but they are paying for that. They are paying the debt service. They are paying for that portion of that Alderman. That is their property as I understand it. I will go back and talk to the Solicitor but it is my understanding that that is theirs. Now they are looking at doing an inventory and they want to live up to their agreement to replace the park but they have those assets down there that they are counting against that project or that process and that is reasonable.

Alderman Gatsas stated I guess I need to go another step further. Who bought those was 6 to 4 to 3 and who sold them was Downtown Vision and who recouped the money was Downtown Vision. So I guess somebody needs to explain to me how somebody is paying for it and somebody else got the money.

Mr. Clougherty responded there was a period of time where they were one in the same and there has been an evolution of that relationship but it is very clear that the assets are now with the team from my understanding and they have control

over that. The exercise we just went through was to get an inventory and a complete update so they knew what was down there and what had been there and what had been liquidated and where those funds went. That information has been provided but again it was just on Friday and we haven't had a chance to look at it ourselves.

Alderman Gatsas asked but how do we know out of that entire configuration of \$28.5 million that that \$1 million is being paid by the developers and not by the developer on the condos.

Mr. Clougherty answered again at the end of the day the agreement that the Board approved was a financing agreement for a stadium to be built and that is why we have consistently said that if the cost of this project goes beyond the amount of the bonds it is the responsibility of the team. If he wants to consider that \$1 million the first \$1 million in or the last \$1 million in it is irrelevant to us because he has the responsibility to build the stadium.

Alderman Gatsas responded let's try the question again. Let's assume the project comes in at \$28.5 million without any overrun. How do we know that...you said he is paying for that \$1 million of indebtedness. How do we know that it is his million that is being paid for and not the \$6 million that is being generated from the condos that are delivering \$1 million to the City because the entire project is \$28.5 million?

Mr. Clougherty replied but remember there is a portion of the debt that is paid off by the team and there is a portion that is paid off by...

Alderman Gatsas interjected I understand that but how do you know...have you allocated those portions yet.

Mr. Clougherty responded no I haven't done a formal allocation of that yet.

Alderman Gatsas stated so if you allocate \$1 million to the team then we know he is paying. If you don't allocate the \$1 million then it is the taxpayer and it is the taxpayer's money.

Mr. Clougherty responded I am trying to follow your logic.

Alderman Gatsas stated there is \$1.1 million that was repaid for Singer Park to an entity. That entity is either paying the debt on the \$1.1 million or the taxpayers of the City are paying the debt service on the \$1.1 million.

Mr. Clougherty replied or the tax on the new development.

Alderman Gatsas responded which is coming out of the taxpayer's money because it would be an asset coming back to the City. It would be a positive cash flow coming back to the City to reduce taxes. So the City should either own those entities of the \$1.1 million or not. I guess it depends on how you are going to allocate the \$1.1 million on the debt service. It is either the City's money or his money. If it is his money I don't care but if it is the City's money then we should be getting it back.

Mr. Sherman stated I will take a shot at this one. Let's go under your assumption that we are at the \$28.5 million and of that \$28.5 million we have reimbursed \$1.1 million. Mr. Weber or 6 to 4 to 3, I guess we will use that term, is paying back the \$2.5 million of debt directly. I think what your point is how do I know that \$1.1 million is in the \$2.5 million and not in the other \$26 million. If you go under the assumption that you are at \$28.5 million and it includes the \$1.1 million if you don't reimburse that \$1.1 million now you are at \$27.4 million and he only pays back \$1.4 million because you haven't used those extra dollars. Now yes does the City still have the \$1.1 million in its coffers? Absolutely. The City also has to pay the debt service.

Alderman Gatsas responded or reduce the debt.

Mr. Sherman stated well you will use that \$1.1 million to do another project or reduce the debt service.

Alderman Gatsas responded reduce the debt service. How much is the debt service on \$1 million?

Mr. Clougherty replied \$100,000.

Alderman Gatsas stated so that is \$1.2 million or \$1.3 million. If you could put those numbers together I would appreciate it.

Chairman Lopez stated let me remind staff that some of the Committee members, as well as myself, get impatient but some of these situations and some of these questions have got to be answered. Some of these people have got to be brought to ask. The City Solicitor has to look at that document and define and all of these little things that keep coming up and Mr. Jabjiniak we have talked about this before as a document that if something is happening then things should be put in writing because what is going to happen is people are going to say well that is not what I said or I misunderstood you and stuff like that. I think it was a good motion tonight that Mr. Thomas put something in writing because I think that is the only way. I know that this project is complicated, very complicated and we all

agree probably that like Mr. Brooks said in some of his comments this is a two year project that we are doing in one year. It is what it is and I have to remind the Committee of that. The project is what it is. The agreements are what they are that the Board of Mayor and Aldermen gave us and we voted for them and some didn't. It is what it is and we are trying to work out the pieces but it is important for staff to anticipate some of the questions that are coming from the Committee members and be able to answer them and not wait to answer these questions. If you have to send a memo out then send a memo out to everybody so that we completely understand. Randy, I know that numbers are being thrown around so if you could work out those numbers to explain that...I think you have explained the \$1.1 million before in a letter but I think maybe it is another avenue that the Alderman is going in. At any rate, I will entertain a motion to adjourn.

There being no further business, on motion on Alderman Smith, duly seconded by Alderman DeVries it was voted to adjourn.

A True Record. Attest.

Clerk of Committee